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EIGHTY-SEVENTH CONGRESS

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COMMITTEE ON FOREIGN RELATIONS

87th Congress, First Session

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98th Congress, Second Session

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PREFACE

In an address on January 6, 1961, Soviet Premier Nikita S. Khrushchev had pledged support for wars of "national liberation" in Third World countries. "These uprisings are directed against decayed reactionary regimes, against the colonialists," said Khrushchev. "Communists support such wars fully and without reservation and march in the van of the people fighting for liberation." American foreign policy planners saw implications of Khrushchev's remarks in Soviet support for the Castro regime in Cuba, for the Pathet Lao in Laos, for the Lumumba faction in the Congo, and for destabilizing the governments of Iran, Korea, South Vietnam, and other American allies. To what extent these troubles were the result of covert Soviet intervention, or of indigenous social and political sentiments became an increasing concern of committee members as they questioned administration, diplomatic and military witnesses.

One reads in these hearings the first undercurrent of unease and skepticism that members felt about the U.S. commitment in South Vietnam. "Let's assume that Vietnam is about to go," Senator Frank Lausche probed. "Will we let it go?" Senator Stuart Symington cautioned against "shoveling good money after bad." Secretary of State Dean Rusk in particular defended American policy, noting the difficulty in getting a balanced story reported on the situation there. "The press is inclined to look upon bad news as more newsworthy than good news," Rusk commented. These were, of course, only the first of many hearings related to, and eventually devoted to Vietnam, as members of the committee, the administration, and the American public sought the light at the end of that long tunnel.

The threat of nuclear war also hung over the committee proceedings in 1961, as President John F. Kennedy met Premier Khrushchev in a chilly meeting at Vienna, and as the Soviets constructed the ominous Berlin Wall. In this tense atmosphere, the committee met to discuss legislation creating the U.S. Arms Control and Disarmament Agency as the principal American instrument for reaching accord on nuclear issues. Because the issue of arms control is still so immediate and pressing, all four of those mark-up sessions are included in this volume, to highlight members' concerns and motivations at the time of the agency's creation.

Owing to the great number of executive sessions on significant topics that the committee held in 1961, and their intrinsic interest to scholars and others concerned with this nation's foreign policies, volume XIII of the "Historical Series" is published in two parts. Transcripts covering events from January through May were included in Part 1, while those covering June through December are included in this volume.

The selection of transcripts for these volumes represents the editor's choice of material possessing the most usefulness and interest for the widest audience. Subheads, editorial notes, and some documents discussed in the hearings, are added to bring the events into perspective. Any material deleted (other than "off the record" references for which no transcript was made) has been noted in the appropriate places, and transcripts not included are represented by minutes of those sessions, in chronological sequence. Unpublished transcripts and other records of the committee for 1961 are deposited at the National Archives, where they are available to scholars under the access rules of that agency. Some transcripts will require further declassification procedures.

In accordance with the general policy of this series, portions of the volume were submitted to the Departments of State and Defense, the Central Intelligence Agency, and participating Senators for review and comment.

This volume was prepared for publication by Donald A. Ritchie of the Senate Historical Office.

CHARLES H. PERCY.

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MINUTES

WEDNESDAY, JUNE 7, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 2:55 p.m., in room F-53, Capitol.

Present: Senator Fulbright (chairman of the committee), and Senators Long, Gore, Lausche, Symington, and Dodd.

Senator Lausche moved the committee favorably report the nominations of Dr. Walter Adams and Dr. Mabel M. Smythe to be Members of the United States Advisory Commission on Educational Exchange. The motion carried unanimously by voice vote.

With Senator Lausche presiding temporarily, the committee then heard the testimony of Henry R. Labouisse, Chairman of the President's Task Force on Foreign Economic Assistance, on the bill (S. 1983), Relating to Foreign Aid.

For record of the proceedings, see the official transcripts.

[At the conclusion of his testimony, the committee adjourned at 5:15 p.m.]

INTERNATIONAL DEVELOPMENT AND SECURITY

[EDITOR'S NOTE.—In his first state of the Union message, President Kennedy called for "a new and more effective program for assisting the economic, educational and social development of other countries." During 1961, the President abolished the International Cooperation Administration and the Development Loan Fund and consolidated their functions in the newly created Agency for International Development (AID), located in the Department of State. The President also requested $4.7 billion in foreign economic and military aid.

On July 24 the Senate Foreign Relations Committee reported out a $4.3 billion version of the Foreign Assistance Act (S. 1983), with a 5-year $8.8 billion loan program. On the floor, these amounts were reduced before the Senate voted 66 to 24 to approve the bill on August 18. The House, however, deleted the 5-year program and required annual appropriations of aid money. A conference committee then settled on a $4.2 billion authorization with $1.5 billion for long-term, low-interest development loans. President Kennedy signed the bill on September 4 as Public Law 87-195.

In addition to its monetary provisions, the Foreign Assistance Act of 1961 banned aid to Cuba and to any other country that the President designated as being under the control of international communism. It also banned loans for business enterprise directly in competition with American products, unless the recipient nation agreed to limit its exports to the United States.]

WEDNESDAY, JUNE 7, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 3 p.m., in room F-53, United States Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright and Senators Long, Gore, Lausche, Symington, and Dodd.

Also present: Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse, of the committee staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

STATEMENT OF HON. HENRY R. LABOUISSE, CHAIRMAN OF THE PRESIDENT'S TASK FORCE ON FOREIGN ECONOMIC ASSISTANCE, ACCOMPANIED BY HON. FRANK M. COFFIN, CHAIRMAN, GROUP ON PROGRAM PRESENTATION, PRESIDENT'S TASK FORCE

* * * * * * *

APPROACH PLANNED IN SPECIFIC CASES [P. 353]

Mr. **Labouisse**. Greece, Turkey, Pakistan, and Korea support military forces capable of deterring external aggression, while the military establishment of Vietnam is attempting to maintain internal security and oppose insurrection by Communist bands. Turkey, Greece, and Korea have also accorded us the use of defense bases. Furthermore, Turkey and Greece are members of NATO, Turkey, Iran, and Pakistan of CENTO, and Pakistan and Thailand of SEATO.[1] As such, they are contributing significantly to the strengthening of organizations for collective security.

May I interrupt for a moment, Mr. Chairman, these things in boxed around lines are supposed to be classified parts, and I assume will not appear in the printed record.

REDUCTION OF SUPPORTING ASSISTANCE PLANNED WHERE POSSIBLE

As their economic activity expands, they are increasingly able to finance the local costs of their defense budgets out of domestic revenues plus the local currency proceeds of our agricultural surplus programs. To the extent that their development can be accelerated, supporting assistance can be reduced. Some have already made considerable progress in this direction.

We expect that three countries—Pakistan, Thailand and Greece—should be able to dispense completely with further supporting assistance after fiscal year 1962. They will rely for further development on Food-for-Peace and development lending from both the United States and other free world sources. The transition will be financed through terminal grants of supporting assistance in fiscal year 1962.

At the time our presentation books were sent to the printer, we hoped that Iran would also be able to dispense with further supporting assistance after fiscal year 1962. The recent change in government has revealed a new internal financial crisis with which we are attempting to cope by accelerating disbursements under prior commitments. The longer-run prospect will have to be re-examined.

Turkey will probably require continued U.S. assistance in supporting its military forces while still meeting balance of payments problems arising from its heavy debt burden and intractable trade deficit, although the new government has taken sound and courageous action in the economic area. A supporting assistance program of $75 million is proposed for fiscal year 1962 to help bridge the gap between essential foreign exchange expenditures and anticipated earnings. A development program is in the early stages of formulation, and Turkey should qualify for substantial development lending by fiscal year 1964. At that time, it should be possible to begin a phase-out of supporting assistance.

---

[1] North Atlantic Treaty Organization, Central Treaty Organization, South East Asia Treaty Organization.

In the case of Cambodia and Korea, it should be possible to reduce supporting assistance progressively and encourage its use increasingly for development purposes. In Vietnam, an expansion in the military establishment and an increased and more effective use of the country's own resources are now under discussion.

SUPPORTING ASSISTANCE COMMITMENTS IN RELATIONSHIP TO U.S. MILITARY BASES

In certain countries—Spain, Morocco and Libya in the Mediterranean and the West Indies Federation in the Caribbean—U.S. military forces presently are utilizing vital military facilities. Spain feels that the presence of these facilities exposes it to possible Soviet retaliation. Morocco and Libya profess to be neutral in the cold war conflict and therefore feel entitled to special compensation for the risks which the U.S. military bases entail. Our aid program helps counteract political forces that seek the termination of our base rights. The West Indies Federation is about to obtain its independence, and we wish to establish a U.S. identification with the welfare of its people so that our continued access to military bases will not come into question.

In order to enable U.S. forces to continue to be able to use effectively these strategically located air and sea bases, it has been necessary for the United States either to make specific commitments of assistance as part of the base-rights agreement or otherwise to make clear that assistance will be forthcoming. The West Indies commitment will be completely funded in fiscal year 1962 and fiscal year 1963. The Moroccan agreement expires in 1963. The Libyan agreement is subject to renegotiation in 1964. It is our present hope that assistance to these countries thereafter will be entirely on a developmental basis, to the extent that U.S. strategic interests permit.

SUPPORTING ASSISTANCE NEEDED BY OTHERS

Five countries—Bolivia, Haiti, Jordan, Somalia and Cameroons would be faced with the distinct possibility of economic disintegration if supporting assistance were not provided. A reoriented assistance program has just been initiated in Bolivia on the basis of the findings of a Presidential task force. Budget support is to be phased out in 1963 and balance of payments support is to be progressively reduced. Meanwhile, a multilateral effort to rehabilitate the mining industry is being undertaken which should create the basis for some economic progress. U.S. support for construction of devastated areas in the Cameroons was begun in fiscal year 1961 and most of the requirements for reconstruction should be met in fiscal year 1962. The problems of Haiti, Jordan and Somalia have deep economic roots and currently appear less tractable. In Jordan and Somalia, our Western European allies are sharing the cost of supporting these countries.

TUNISIA

Helped by the support we have provided over the past years, the Tunisians have been successful in stabilizing the country and addressing fundamental problems. A reduced level of grant assistance is proposed in fiscal year 1962 to assure an orderly transition to the new long-range development program which should be inaugurated before the end of that year. Agreement has been reached on the dispatch of a team to Tunisia in the fall to review the development program now in preparation.

PREVENTING ECONOMIC DEPENDENCE ON SOVIET BLOC

In three countries—Afghanistan, Burma and Laos—along the Asian perimeter of the Sino-Soviet empire and a fourth—Yemen—in the Near East, the primary U.S. objective is to prevent the absorption of weak nations into the Communist bloc through growing economic dependence.

* * * * * * *

AFGHANISTAN AS A SPECIAL CASE [P.355]

Mr. LABOUISSE. Of those three, Afghanistan, Burma and Laos, and Yemen—well, in Afghanistan, the program that we are financing is largely one of building a road, really, which will enable the movement through Pakistan into Afghanistan. This has been the normal route in the past. In 1954, because of border troubles between Pakistan and Afghanistan, it was cut off, and Afghanistan was thrown more into the Soviet orbit. In 1958 I think it was rectified, and we started to help in the construction of the road.

The Corps of Engineers is now in there working. We have also had some money in the development of the Helmand Valley, which is a multipurpose dam and irrigation project.

The primary purpose of these programs, Senator, is basically to prevent complete reliance of Afghanistan on the Soviet Union.

* * * * * * *

SUPERVISION OF YEMEN PROJECT [P. 357]

Senator LONG. Is the program in Yemen primarily the highway program?

Mr. COFFIN. In Yemen it is not only roads, but also water supply, which has, as I understand it, been accepted very well, and has gone to some extent to negate and forestall increased Soviet penetration in Yemen this last year—there was a threat of very serious penetration. We have a program which involves bringing water to the people in this very arid country. It is not only a sound project, but it has good public impact.

RESURVEY OF BURMA PROJECT

Mr. LABOUISSE. Senator, as I understand it, we are proposing $2 million for Burma. And there we are trying to cover the estimated costs of a road survey.

We committed ourselves, some time ago, within a $30 million total, for some of the construction of a highway from Rangoon to Mandalay. As I understand it the original survey of this thing ended up by proposing a road which would cost $70 million to $80 million—a much larger amount of money—and I think much too fancy a road.

* * * * * * *

TERMINATION OF AID IF CONDITIONS NOT MET [P. 359]

Mr. LABOUISSE. There is one situation of a general nature that is confronting us at the present moment. This involves a question of whether we have to commit the funds before June 30. I don't know whether this ought to be off the record or on the record. I am not sure about that. We can edit it.

In Korea, we are in a very touchy situation. There are some funds which we committed to Korea, which Mr. Dillon[2] did last fall, in an agreement whereby the Korean Government was going to do certain things. It looks as if this new group may not carry out its side of the agreement. We want to hold up these funds, keep their feet to the fire and see whether we can persuade them to do these things which are in their own interest. It is a question of increasing the electric rate, etc.

Now, I think we ought to hold this money. We ought to give Ambassador [Samuel D.] Berger a chance to try to negotiate the problem when he gets there. This involves the question why we want "no year" funds. If we have to commit the money by June 30, when he gets there on the 19th of June, he is not going to have much negotiating time and we will weaken our negotiating position, for we may have to act before we have made the most effective use of funds. There are cases in which we want to hold up commitments even beyond the end of a fiscal year.

Mr. COFFIN. In Taiwan, our mission director has been trying to negotiate a more sensible power rate structure.

* * * * * * *

SUMMARY OF SUPPORTING ASSISTANCE [P. 359]

Senator SYMINGTON. Thank you. Now you say three-fourths of this sum will be required—$581 million—for seven countries, Korea, Vietnam, Turkey, Pakistan, Laos, Jordan, and Morocco.

Mr. LABOUISSE. Right.

* * * * * * *

SUPPORTING ASSISTANCE REQUIRED IN EIGHT COUNTRIES [P. 360]

Senator SYMINGTON. You say "in eight countries we do not see any prospect for terminating such supporting assistance." What are those eight countries? If you do not have them there, put them in the record.

---

[2] Treasury Secretary, C. Douglas Dillion.

Mr. **Labouisse**. I have them, Korea, Laos, Vietnam, Jordan, Yemen, Afghanistan, Haiti, and Somalia.

Senator **Symington**. Thank you. On page 6 you talk of supporting Korea for larger military forces than they can afford to support out of their own resources. Is there any change in policy as a result of the military coup in Korea, or are we just going ahead as if it didn't happen?

Mr. **Labouisse**. There is a Presidential Task Force working on this question now, on the whole political, military and economic problem of Korea. But as of the moment, there is no change in policy that I know of, except for the point that I mention on our economic aid. I know we want to hold back on this for a little while.

Senator **Symington**. Pakistan, you say, can dispense completely with further supporting assistance. That doesn't imply we don't have to give them military assistance.

Mr. **Labouisse**. Oh, no. And this is after 1962. The theory is that Pakistan has now developed a 5-year plan for its own social and economic development. There was a consortium meeting yesterday under the aegis of the World Bank. We think that there are some parts of the plan which are not well formulated. And there is going to be another meeting later on in the year.

The thought is that eventually Pakistan should be able to finance its development program out of development loans.

* * * * * * *

FUTURE OF LAOS PROGRAM [P. 365]

Senator **Lausche**. Just a moment. Senator, may I ask something here? You have $41 million listed for Laos. What will you do if things develop in Laos where you will not be able to use this $41 million?

Mr. **Labouisse**. We would not use it.

Senator **Lausche**. That is, it would just be unexpended, is that correct?

Mr. **Labouisse**. That is correct.

Senator **Lausche**. Is it earmarked as $41 million for Laos, or do you have general discretion to transfer it, if it is not used in Laos?

Mr. **Labouisse**. I would think that there would be general discretion to transfer it within the limitations of the act, which is 20 percent from category to category. But this is put in more as insurance than anything else. We just frankly do not know what is going to happen in Laos.

Senator **Lausche**. Is supporting assistance used to pay for exports from the United States to the country receiving the supporting assistance?

Mr. **Labouisse**. Most of it is.

Senator **Lausche**. Will you illustrate that for the record, please?

Mr. **Labouisse**. The amount of aid that goes to Korea, under supporting assistance, is normally given in the form of a procurement authorization given to the Korean Government, thus enabling a Korean importer to buy commodities. Under the regulations which have been established, exclude purchases from 19 hard currency countries.

Senator LAUSCHE. Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman.

FINANCIAL CRISIS IN IRAN

On page 7, Mr. Labouisse, you say:

"A new internal financial crisis in Iran." Did you find out something about their finances as a result of this internal coup you did not know before?

Mr. LABOUISSE. Senator, on Iran there is a task force presently at work. The plans which we had when we prepared these papers led us to believe that the amount of assistance we had to give to Iran would be in the nature of $15 million, I think it was, for supporting assistance for the year 1962. The new Prime Minister has indicated that unless he gets more funds he may have a very difficult time remaining in office.

Senator SYMINGTON. How much more?

Mr. LABOUISSE. The total that has been mentioned is $40 million.

Senator SYMINGTON. A $5 million increase.

Mr. LABOUISSE. It may be in this $40 million there is some money of the DLF which has not been expended, under loans already authorized by the DLF. So it may not be that much new money.

Mr. COFFIN. In fact, it would not. We can go into that further if you want to.

Senator SYMINGTON. As I understand, this paper is not classified if you take out what is in brackets.

Mr. LABOUISSE. Correct.

AMERICAN BASES ON SPANISH SOIL

Senator SYMINGTON. You have here Spain, Morocco, Libya and the West Indies. And you say, "Spain feels the presence of these facilities exposes it to possible Soviet retaliation."

Wouldn't you except the Caribbean?

Mr. LABOUISSE. I think this is a very broad—having American bases on Spanish soil—if the balloon ever goes up, because of that fact, those bases might be attacked.

Senator SYMINGTON. I understand that as far as Morocco and Libya go. But what interest have they in the Caribbean?

Mr. COFFIN. The bases in Spain we are talking about——

Mr. LABOUISSE. Oh, I see what you mean. I'm sorry. "And the West Indies Federation in the Caribbean."

Senator SYMINGTON. Do you think Spain is interested in the West Indies?

Mr. LABOUISSE. No, it is the West Indies Federation. This has nothing to do with Spain.

Senator SYMINGTON. The way it reads it has something to do with Spain.

Mr. LABOUISSE. No—Spain, Morocco and Libya refers to the Mediterranean and the West Indies Federation refers to the Caribbean.

Senator SYMINGTON. I am clear. You say: "The West Indies commitment will be completely funded." What commitment is that?

Mr. LABOUISSE. In negotiations with the West Indies Federation, and the British, concerning our bases in Trinidad and our other establishment in the West Indies Federation.

Senator **Symington**. We are still paying out money to maintain our base in Trinidad?

Mr. **Labouisse**. This presumably would fund the whole thing. As I understand it, when the new government comes into power, when the West Indies Federation becomes independent, they would have the right to take over the bases and terminate the agreement.

* * * * * * *

SITUATION IN AFGHANISTAN [P. 366]

Senator **Symington**. We had some testimony about Afghanistan before this committee in recent days from the standpoint of its political independence. I see here on page 10 you include Afghanistan—when you say—to prevent the absorption of weak nations in the Communist bloc. Is that the position of Afghanistan today—in the same position as, say, Yemen and Laos?

Mr. **Labouisse**. Afghanistan is in the process of trying to develop a broad economic program. They do not have the people to do it. After a great deal of ducking and filling they asked us for help. We have sent out a group who are now in Afghanistan making a preliminary survey of the situation.

* * * * * * *

Senator **Symington**. I expect to go to Afghanistan myself in a couple of months, and would like to know more about it.

Mr. **Labouisse**. I think possibly it was Ambassador Byroade who talked to you about Afghanistan, because he was here. He was very anxious to make a commitment toward the total development program of Afghanistan. He said we were not prepared to do it until we knew something about it.

* * * * * * *

SUPPORTING AND TECHNICAL ASSISTANCE TO TURKEY [P. 390]

Mr. **Coffin**. We are planning to reduce supporting assistance from $90 million to $75 million to Turkey this coming year. We hope we can hold this level because we think Turkey has come to the point where it can get on more of a development basis. I would think that in our country programing we would do well to look to its agricultural sector, as well as to its industrial needs.

We hesitated to go farther than $75 million, because right now there is a touchy situation. A new government has come in and is trying to undertake a number of very overdue measures monetarily.

Senator **Symington**. Could I ask what that supporting assistance to Turkey has been in the past and is now, reduced from $90 million to $75 million? Roughly, what is it?

Mr. **Labouisse**. It was $90 million equivalent in 1961, $82 million in 1960.

Senator **Symington**. What was it? Was it for trucks, for education?

Mr. **Labouisse**. It is primarily for commodity imports. The $75 million for this year, the proposed program for this year, is set forth on page 151, the blue sheet.

Senator **Symington**. I will look at that sheet.

Mr. **Labouisse**. So far as your question concerning the development of agriculture in Turkey is concerned, we do have a technical assistance operation there, including projects affecting livestock, crop and forestry improvement, agricultural credit, marketing, economic planning and research, extension services and irrigation.

Senator **Symington**. That does answer part of my question. More money to agriculture was in my mind.

Mr. **Labouisse**. $835,000 estimated for 1962 for that range of activities.

* * * * * * *

FISCAL YEAR 1962 PROPOSED AID TO YUGOSLAVIA [P. 392]

Senator **Lausche**. I want to direct a few questions pertaining to Yugoslavia.

We contemplate giving them $39 million of agricultural commodities, as shown on page 10. Is that correct?

Mr. **Labouisse**. Yes.

Senator **Lausche**. And then as shown on page 147, $75 million in supporting assistance, and $4.8 million in development grants.

Mr. **Coffin**. Not supporting assistance for Yugoslavia.

Senator **Lausche**. On page 217 there are listed development grants, $3.8 million. Is that right?

Mr. **Coffin**. Right.

Senator **Lausche**. And development loans? $25 million.

Mr. **Coffin**. Yes. Bear in mind, Senator, this is not a firm program. It is illustrative, based upon what we expect might be in our interest to do. It is not a firm contract that has been signed.

* * * * * * *

Senator **Lausche**. I am asking these questions because I understand there are a number of United States citizens whose properties were confiscated by the Yugoslav Government, who are seeking redress for loses and cannot obtain it. Are you, or your staff, familiar with that situation? Does this not fall within your field of work?

Mr. **Coffin**. No, Senator.

Senator **Lausche**. All right. That is all I have. Senator Gore?

CONTINUING AID TO KOREA [P.393]

Senator **Gore**. Mr. Labouisse, you said this morning you would stress some views with respect to the situation in South Korea in the executive session. You know the general reservations I expressed this morning about the advisability of continuing aid to a military junta that has become so oppressively dictatorial. I would welcome your comment. I know you must be greatly concerned about it. I will ask no further questions, but just afford you the opportunity to comment.

Mr. **Labouisse**. Senator, I am equally concerned about the situation in Korea. The problem of what we do about it is, I think, an extremely difficult one.

The President has created a task force of people, consisting of State Department, Defense Establishment and so forth, to look into it, and what should be done. As you know, we are sending out a new ambassador—Ambassador Berger.

I think there is real concern about what this present government is up to. I understand that the Constitution has been superseded in part. I frankly do not know what the future holds.

There is a question of our military position in Korea, whether we want to stay or—it is one which is obviously beyond my competence to determine.

The assistance which we are giving is necessary if we are going to maintain any position in Korea. I would like very much to see greater efforts made by the government to improve the social, economic and political situation.

I do not know much about this. The past one was certainly not taking the kind of measures which should be taken to prevent corruption and graft in the country. This was rather rampant, as I understand it.

Senator **Gore**. It thrives on United States aid.

Mr. **Labouisse**. They were not taking measures internally to do many things which should have been done. I think it is a very unhappy situation.

Senator **Gore**. You give me some encouragement that the President has appointed a task force to examine this question at the highest levels. That is good. It shows that some of the same questions which trouble you and me have troubled the President of the United States.

Now, would you state again—would you identify the task force?

Mr. **Labouisse**. It is a task force which is headed by the Assistant Secretary of State, Mr. [Walter P.] McConaughy, who will be here before the committee on Friday afternoon as a witness.

Senator **Gore**. And who else?

Mr. **Labouisse**. The names of the members, I do not know. But the Defense Establishment is represented, the ICA [3] has had a man working with it on the economic aid part. The other membership I frankly do not know.

Senator **Gore**. Are they to report to the Secretary of State or to the President?

Mr. **Labouisse**. I would assume it is to both.

Mr. **Coffin**. It is to the President, and undoubtedly it would include the Secretary.

Senator **Gore**. That is all the more encouraging.

I know that this is one of the paradoxes. But our continued identification with the kind of repressive regime which this has already—is already revealed to me, tends to derogate the very appeal of the idea of freedom. If this is what we bring to people, if this is what association with the United States results in, then people are going to have to—are inclined to be looking in some other direction. And the choice between a dictatorship, such as there is in North Korea, and such as there is now in South Korea, if I had my choice, I think I would make it, but it would certainly not be an inviting choice.

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[3] International Cooperation Administration, later the Agency for International Development (AID).

Thank you.

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ADMINISTRATION REQUEST FOR CONTINGENCY FUND [P. 393]

Mr. **Labouisse**. Even in the brief period that has intervened since that time, specific developments have suggested the possibility that additional requirements may have to be met for which no provision was made in the other program categories.

The recent change in government in Iran has created a situation which may raise the required level of grant assistance in fiscal year 1962 above that contained in our program.

The Vice President's trip to Southeast Asia[4] has revealed the need to reappraise our foreign aid plans for that area. An increase in the Vietnamese military establishment is clearly required. The President has informed President [Ngo Dinh] Diem that we are aware of the increased burden that this will impose on the Vietnamese budget. A team of economic experts is on the point of departing to review the extent to which the Vietnamese Government can reasonably be expected to bear this additional burden out of its own resources.

The Vice President has also suggested the need to review the requirements for assistance to Thailand. Again, an increase seems to be required in the size of the defense establishment above previously contemplated levels. A review will be required of the size and cost of such an increase and of the extent to which the increased cost can be borne by the Thai Government.

The situation in Southeast Asia is clearly difficult.

The Vice President found that the situation in Laos had created doubt and concern about the intentions of the United States throughout Southeast Asia, but that his mission had the effect of stabilizing the situation. An increased effort on our part as well as on the part of the local governments will undoubtedly be required in the months ahead to strengthen the military, political, social and economic structure of Southeast Asia. Both military and economic assistance may well have to be increased.

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REASONS FOR INCREASING CONTINGENCY FUND [P. 394]

Mr. **Labouisse**. This year a further consideration is likely to create additional demands on the contingency fund. The new program for international development now before you represents a significant departure from prior year programs. One of its cardinal features is a reduction in programed levels of grant assistance previously provided under defense support and special assistance. Our purpose in reducing such levels is to persuade countries to direct both their own resources and foreign assistance increasingly toward long-term development. In some cases, we may find that our assumptions about the rate at which the level of supporting assistance programs can be reduced has been unduly optimistic. The level may prove to be below the point at which minimum economic and political stability can be maintained. Relatively minor reverses in the domestic production or exports of recipient countries, or required increases in budgetary expenditures for defense or other purposes, could create legitimate needs for additional supporting assistance. For example, the amounts proposed for assistance through the United Nations to the Congo were estimated at a time when only rough projections could be made of the internal situation during fiscal year 1962 and of the relations between the Congo Government and the United Nations. Should it become possible during fiscal year 1962 to establish a political regime capable of undertaking the rebuilding of the country's economy, a higher level of U.S. assistance might be justified.

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[4] See Volume XIII, part 1, pp. 629–651.

The majority of the independent countries of Africa have been independent for less than 2 years, and nowhere is the course of future events less predictable. Demands for independence in the Portuguese colonies, the Rhodesias, Nyasaland, and Ruanda-Urundi could produce further turbulence comparable to the situation in the Congo. Even in countries like Ethiopia and Morocco upheavals are possible that could make significant claims on our resources.

In another troubled area—Southeast Asia—the prospects are similarly unclear. The reviews currently underway are designed to prevent further deterioration in our present position and to begin the process of stabilization on a more lasting basis. Should further deterioration set in, it may become necessary for the United States to assume a much larger financial burden than we currently contemplate. The Caribbean area is, of course, a highly troubled region, with dictatorships on the left and the right attempting to subvert neighboring governments and extend their respective spheres of influence. An OAS mission is leaving today for the Dominican Republic which could have consequences for our programs. We may find it important to move rapidly and forcefully in improving the internal capabilities of Latin American countries beyond presently projected programs. The possibility of an overthrow of the dictatorial regimes could produce heavy requirements for aid to restore economies on democratic lines.

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COUNTRIES CUT FROM SUPPORTING ASSISTANCE PROGRAM [P. 394]

Senator **Lausche**. Senator Morse?

Senator **Morse**. No questions.

Senator **Lausche**. Senator Gore?

Senator **Gore**. You mention on the bottom of page 5 that 15 countries that received help last year are not programed for the coming fiscal year. Would you identify those countries?

Mr. **Labouisse**. I will, Senator. They are not going to be given supporting assistance. They may receive loans.

They may also receive some grants related to development—the technical assistance type of operation that has been going on.

The countries are Taiwan, Philippines, Israel, Berlin, Yugoslavia, Iceland, Chile, Guatemala, Malaya, the Entente States, Equatorial States in Africa, Senegal, Honduras, Panama, and Poland.

Senator GORE. Thank you, sir.

AID TO SOUTH VIETNAMESE MILITARY

Now, I notice you say that an increase in the South Vietnamese military establishment is clearly required.

I must question that.

I know that we have been reading in the papers about invasion from the north. But is it not a fact that the revolutionary forces in Vietnam are concentrated in the southern delta of South Vietnam, and do not constitute an invasion force as such, but an indigenous revolutionary force?

Mr. LABOUISSE. This is my understanding, Senator. As I understand it, what is primarily needed is a force to deal with internal subversion, guerrilla warfare, etc.

The details of the type of program that is needed from the military side, I think, I would prefer to have Assistant Secretary McConaughy talk about when he appears before you on Friday.

Senator GORE. I will wait for that. I would like to point out, however, just now that my general understanding of the situation is that South Vietnam has a sizable army, a well equipped army. I have seen a good portion of it. One of the difficulties seems to be that a native with a bow and a poisoned arrow may be more dangerous than a battalion with a 105. The 105 can move only on hard surfaces. The native can be on the rice paddies and in the swamps.

Do you understand that to be the case?

Mr. LABOUISSE. I am not sufficiently familiar with the situation to comment intelligently on that, Senator.

Senator GORE. I take it that with respect to the military—an increase in military assistance in Thailand, you would prefer that someone else testify on that, too?

Mr. LABOUISSE. I think this is preferable, yes.

Senator GORE. Thank you, Mr. Chairman.

Senator LAUSCHE. Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman.

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EFFECTIVENESS OF MILITARY ASSISTANCE [P. 395]

Senator SYMINGTON. Now we come to page 2. You say,

"A team of economic experts" is going to review the Vietnamese financial situation, and because Laos has fallen they are going to need more.

I have seldom been criticized for being unsympathetic to the problems of the military. But would not it be better to give them something besides military assistance? What runs through my mind is that so many times in that part of the world we have given uniforms and guns which have been turned against us fairly soon thereafter. And then we have had to handle the military effort ourselves, if it was handled at all.

Do you seriously think we can give the people of Thailand military assistance to the point where they can resist Communist aggression?

Mr. **Labouisse**. I do not think you can establish a military force in any of these countries which could defend themselves alone against a land attack from the Chinese Communists, if that should take place. I do think that the establishment of an adequate military force gives them the confidence to remain free and to take the necessary actions.

Mr. **Coffin**. May I add a comment on that?

I was present this morning when the Secretary of State talked to the House committee. In talking about this general problem, somebody asked him what was in this bill that would help such countries, such as Vietnam? He said that we would have to make sure that our military assistance would be different from the kind we have given before. It must be tied in with projects in the economic and social fields.

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ALTERNATIVES TO MILITARY AID [P. 396]

Senator **Symington**. I noticed yesterday that the Deputy Secretary of Defense made a speech in which he said, if necessary, we would use nuclear weapons in defense of certain parts of the world. We pump in all this military aid beyond police force requirements. Beyond police force requirements I do not think it means much any more. Why not give them better schools and better roads and more teachers and medical supplies? Military aid to South Vietnam, military aid to Thailand, in many ways is just putting good money after bad. I see you say the Vice President's trip has resulted in stabilizing the situation. But I am not sure that that situation is stabilized out there or will be the way things are out there.

It is just a question of whether the Chinese Communists with or without their Russian ideological allies want to move—unless of course we ourselves get into the picture.

Now, we had hearings under Senator Lausche and the full committee—and found out about Laos.

Mr. **Coffin**. What we are talking about—the alternative is pulling out of Southeast Asia now or in the very near future, or trying to launch a program that will be a mixture of some military support, some unorthodox military support——

Senator **Symington**. I do not think anybody is talking about pulling out. I am talking about where and how you put your money.

If you give these people military assistance, I do not think it helps any, if the Communists want to move. That is my point. It is not a question of pulling out. I do not want to pull out anywhere.

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Mr. **Labouisse**. Senator, may I say that this fund is not suggested for use for military purposes. This may be necessary for economic and financial assistance.

Senator **Symington**. An increase in the Vietnamese military establishment is clearly required. You say:

"The President has informed President Diem that we are aware of the increased burden that this will impose on the Vietnamese budget."

This implies you are going to use this money for military defense.

Mr. Labouisse. No.

Senator Gore. Will the Senator yield there?

Senator Symington. Yes, I will yield.

Senator Gore. The Vice President told us, I believe I remember correctly, that an increase of $50 million for military aid was discussed with President Diem. Without any criticism whatsoever of the Vice President's recommendation or his trip, he returned, in his own words, a zealot. But what he recommended was more of the same thing.

Now, one can be a zealot for more of the same thing, and I do not criticize anyone for it. But the largest raiding party that has been reported to this committee entering Vietnam was, I believe, 200 to 300 men.

Well, South Vietnam now has an army, if I recall correctly, of 150,000 men.

Mr. Labouisse. I think that is right.

Senator Gore. I have seen their equipment. There are a few places in Vietnam they can use it. But it is equipment that many military men would call good. And yet the people who are being killed are being killed in the areas of South Vietnam largely, and being killed by a single rifle shot or a poisoned arrow, far removed from this 150,000 army cantonment.

Senator Symington. And they have killed thousands, have they not?

Senator Gore. That is right. And this is an indigenous thing, as I am advised.

Frankly, I have no solution to it. Since I am expressing my views—I have cast many votes, Mr. Chairman, in my 20 years in Congress, which by benefit of hindsight I would like to change. One of them is the approval of SEATO.

France had fought in Indo-China for 9 years with an army of 400,000 to 500,000 men. They lost the war, not because they did not have a superior military establishment, but because they had for years and years followed the policy of don't spoil natives. The white men had lost this area, and it was a very great mistake for the United States of America to pick up the chips of a disintegrating French colonial empire. I am sorry I voted for it. I did. And I stand as equally responsible as anyone else, because I voted for this.

I do not know how we disengage. But I seriously doubt that giving $50 million more per year to South Vietnam to increase its army, when they already have an army of 150,000 men that cannot stop killing in isolated villages——

Senator Symington. The Senator makes my point better than I. I appreciate it.

Mr. Labouisse. The question of the size of the army, or what military measures should be taken in Southeast Asia are really beyond our competence. This is not our particular field.

I would like to say that, as part of the thinking and the programing and planning that is going on for South Vietnam, the type of poisoned arrow operation that Senator Gore refers to I think has been borne in mind as leading to the necessity for the establishment of a counter-insurgency group, a warfare group—not necessarily based on normal military standards.

As for the fund about which we are speaking, what we intended to point out was—that in the event the President determines that there is a need to support an increase in a military establishment, we must then face the problem of helping these governments to finance it, because we are not certain that an additional military force, if any are created within Vietnam, can be fully supported out of the domestic resources of the country.

Some increase could be supported. For example, I think there are measures which can be taken by the Vietnamese Government to help it support itself better than it is doing today. Its gold and dollar reserves are relatively large.

Senator SYMINGTON. May I interrupt. The point Senator Gore made, and I thought he made well, is that you have 300 people attacking this country, and 150,000 people defending it. Therefore, why put $50 million more into their defenses? In other words, they either have the 150,000 there to defend themselves against the Communist Chinese, or somebody that we do not know about, from Mars, or they are running a cockeyed government a la Trujillo. There it is.

What kind of situation is it where we put $50 million more into an army of 150,000 which is defending against 200 or 300 people?

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[At 5:15 p.m. the committee stood in recess.]

THE CUBAN SITUATION

WEDNESDAY, JUNE 7, 1961

United States Senate,
Subcommittee on American Republics Affairs
of the Committee on Foreign Relations,
Washington, D.C.

The subcommittee met, pursuant to notice, at 5:30 p.m., in Room F-53, United States Capitol Building, Hon. Wayne Morse (chairman of the subcommittee) presiding.

Present: Senators Morse, Church, Hickenlooper, and Capehart.

Also present: Senators Gore, Lausche, Symington, Clark, and Frank Moss of Utah.

Mr. Marcy, and Mr. Holt of the committee staff.

Senator **Morse**. Our hearing will come to order.

The record should show, may I say to the witness, that this is a strictly executive session. The only record that will be kept will be kept in the executive files of the committee, available only to members of the committee and Members of the Senate.

We are pleased to have Mr. Raymont and Mr. Rogers appear before us this afternoon. I asked them to come and discuss with us informally some of their experiences in Cuba, some of their evaluations of the situation in Cuba, any information that they would like to give us in regard to the recent attempted invasion of Cuba by the exiles with American assistance. Mr. Raymont was on the scene at the time. He happened to go out to the airport during part of the bombardment.

As you know, he was arrested and spent time in a Havana jail.

It is not very often that we have this privilege of listening to a witness such as Mr. Raymont.

Mr. Rogers, too, has had a very direct experience, I understand, with regard to this situation.

I want you to understand, Mr. Raymont, that you appear as a voluntary witness upon our invitation. This is no attempt to secure from the press any privileged information. You are welcome to proceed in your own way. I only want to tell you our problem.

As a Subcommittee on American Republics Affairs we have a legislative responsibility. We have a duty, it seems to us, under our duty of checks, to do what we can to find out the facts, and then counsel with the President on the basis of such information as we gather.

I have already made clear my one recommendation I shall make to my subcommittee, and I hope through it to the full committee, that the President be advised that we will be glad to turn over to the President an executive record taken in this hearing for such assistance as it may be to him. And we would be perfectly willing, if he cares to, to counsel with him in regard to some judgments that we may make as a result of these consultation hearings that we have been conducting.

You may proceed in your own way.

STATEMENT OF HENRY RAYMONT, DIPLOMATIC CORRESPONDENT FOR LATIN AMERICA, UPI, WASHINGTON, D.C.; ACCOMPANIED BY WILLIAM D. ROGERS,[1] LEGAL COUNSEL, ALLIANCE FOR PROGRESS

Mr. RAYMONT. Senator, thank you.

I am very glad to cooperate with the committee on these matters to the best of my ability.

Senator MORSE. I think for the benefit of the record—because some of the Senators do not know you as I do—you should make a statement for the record as to your background and the papers you serve and as to your present service.

Mr. RAYMONT. I am a diplomatic correspondent for Latin America, UPI in Washington. I have worked in that capacity for some 6 years. In December I went to Cuba to replace the bureau manager there for what was to be a 3-week period. It lasted almost 6 months.

I have been with UPI for 15 years and have been extensively in Latin America. I grew up in Argentina and speak Spanish and have always had an interest in the area.

As I told Senator Morse some days ago, this has become such a critical situation that I would gladly give you any information that I have.

I would rather you ask me specific questions.

DETERIORATION OF CASTRO'S PRESTIGE

Senator MORSE. Mr. Raymont, would you tell the committee about the impressions you formed in Cuba, shall I say, for 3 weeks before the invasion. What did you observe was going on within Cuba?

Mr. RAYMONT. Gladly.

I brought with me some of the stories that were sent out of Havana, and which more or less reflect my assessment of the situation there. They were extensively published in Latin America, as well as by UPI clients in the States.

There had come a period of real deterioration in Castro's prestige. That is the fairly unanimous opinion. For a long time of course, a long time before this, he had increasingly lost support of virtually the entire middle class. The erosion was now beginning to reach the peasant class and had also touched the urban workers.

When I arrived in December, that month was seen by many people who had been there for a long time, as a turning point for the support that the government had from the industrial workers.

You may remember there was a purge of the electrical workers union, one of the most powerful unions, after a march on the national palace by the union leadership, which was non-Communist, protesting the government's attempt to have the Communist CTC [Cuban Workers Confederation], control the leadership. For the first time there was an open and overt anti-Castro demonstration by his own former followers. They were not directing the protest against him personally, but against the attempts of the Communist-dominated CTC to control their union.

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[1] In 1962, Mr. Rogers became Special Council, Alliance for Progress.

The leader was Fraginals,[2] who was a very popular figure in organized labor in Cuba.

The CTC quickly reacted and staged a counter demonstration in the CTC headquarters. Fraginals nevertheless got in to see the President, who told them Fidel was extremely annoyed at this over-demonstration because to him criticism was treason. That was in December and they were having the first wave of invasion scares. That is, "this is a time of crisis, and we must all be together—we are not allowed to dissent from the official government position" was the line.

Castro went on television and everybody thought that he might make a last attempt to bring Fraginals back into the fold. Instead he denounced him, and to everybody's surprise he called him a tool of the Yankee electrical monopoly.

DESTROYING HIS OPPONENTS

I go into detail on this because I think it illustrates to some extent the tremendous cunning of this man in destroying his opponents. He was fighting the Batistanos, so if he thought someone was a political opponent, whether this was so or not, he would call him a follower of Batista.[3] From there, he would attack the large landholders, the wealthy class. Then he began to attack the middle class that had not divested itself of its interests and followed him. And now came the turn of the industrial worker. How could he denounce the worker? How could he denounce a labor leader? He came up with a ready answer: That this labor leader had worked for the Yankee electrical company, was inbued with privileges, and was giving a better deal to the electrical workers at the expense of the poor peasant, at the expense of the other labor unions. Castro was doing the same thing, incidentally, to the telephone company workers. Later he was to do the same thing to the bus drivers union, which was a fairly strong union.

To some extent, in the best demagoguery, he succeeded. That is, he succeeded in keeping large masses of people hypnotized by his oracular oratory.

DISSATISFACTION WITH CASTRO

Senator **Morse**. May I interrupt. By December 1960, January 1961, do you think there was evidence in Cuba that Castro was on the decline as far as his influence was concerned with all the economic groups of Cuba?

Mr. **Raymont**. Yes; with the exception perhaps of a large segment of the peasant class—the cane workers. But even that was to change in February. He launched a new payments plan for the cane cutters as Guevara [4] promised which was to give them—when he came back from his trip to the Communist countries: 4 million tons of sugar to be sold at 4 cents to the Communist bloc. These 4 million tons of cane would be cut at the standard rate. But then 2 additional million were going to be cut at a substantially reduced rate—I do not recall exactly the amount.

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[2] Amaury Fraginals, Secretary General of the Cuban Electrical Workers' Union.

[3] Gen. Fulgencio Batista, former Cuban President.

This brought tremendous criticism from the cane cutters, which was one of the remaining loyal groups.

I think the important thing there is to draw distinction between dissatisfaction of the peasantry and its willingness to go into the opposition.

In this connection, I would like to mention a talk I had—I think it was in late February—with the former mayor of Santiago, Cuba's second largest city. He was still one of the most popular figures in that city, although he was against Castro. He had been Minister of Public Works, and very successful under the Prio administration, His theory was that the United States, in not doing anything about Castro, was taking a calculated risk. That is, the man may be strengthening himself militarily.

Senator **Hickenlooper**. Who felt that way?

Mr. **Raymont**. The mayor—Casero, the former mayor of Santiago. Of all the officials in the Cuban Government, and those opposed to the Cuban Government, he was the most lucid thinker of all of them.

A CALCULATED RISK

Senator **Lausche**. What sort of a mistake did you say it was?

Mr. **Raymont**. He said his feeling was to take no action—he was thinking in terms of the United States policy and the pressure for action by the exiles in the United States. He felt that to do nothing about Castro was a calculated risk. But he felt that there was no alternative. To him, the Castro phenomenon was a mystique. That is, the people had followed this man as if hypnotized. And this type of emotional reaction of the people could only come undone through disillusion. He felt that the most powerful weapon against Castro was two words. Those two words were "no hay"—which translated is "we are out of it." And he was thinking of economic deprivation, of shortages. He felt that the radical policy that Castro was following would cost him his main economic base, the Soviet Union. Subsequent events I think bore his thinking out.

He felt that this was a process that the dissatisfaction against Castro was coming very slowly.

But he also felt it was a very substantial one.

ORIENTE PROVINCE

The Oriente Province is the second largest province and the capital of Oriente is Santiago. That is where the revolution started. In many ways, Oriente is a better barometer of the real feeling of the Cuban people—because Havana is an extremely volatile city. It is a little as though you took New York as the barometer of the whole

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[4] Cuban Industry Minister Ernesto (Ché) Guevara.

United States—I think you probably would get an erroneous picture.

Oriente had given Castro his most enthusiastic following.

By the middle and end of 1960, it had become apathetic. And Casero felt if this process continued, that his deadline was the next harvest, which would be December of this year. He felt the mills would not then operate because they were running out of spares.

I visited several sugar mills, and the militia administrators openly told me that "we do have a record grinding this year, and we can function this year, but next year, unless our relations with the United States improve and unless we get spare parts, we will not be able to operate."

Well, Casero felt that by the next harvest this apathy in Oriente Province would have turned into open hostility.

SOVIET ATTITUDE SOURING

I mentioned the attitude of the Soviet Union. By early April, there were some sour reports—and when I say sour, I am thinking of conversations I had with the Egyptians, the Yugoslavs, the Brazilians, the Mexicans, and with the Poles. The Soviets had told Castro that this policy of continued hostility toward not just the United States, but all of the other Latin American governments was in contradiction to Russia's policy which was to gain the sympathy of Latin America as a whole. That is, Castro was not their main interest in Latin America at the time.

Senator **Morse**. Let me see if I have that straight. You think there was some evidence that Khrushchev was not particularly sympathetic with Castro's seeming tendency to alienate other Latin American countries and the United States, because in the long pull that was not to the Russian advantage.

Mr. **Raymont**. That is correct. As you probably remember, Castro's technique has been to go to the people of Latin America and to denounce the governments of Latin America, with the exception, perhaps, of Mexico. But even in Mexico—when he started to talk, he forgot to discriminate, attacking all of the governments of Latin America—the oligarchies, and he said what we need is the following of the people, the workers, the students and the peasants of Latin America.

Senator **Capehart**. Including Brazil?

Mr. **Raymont**. This was true until last February and March, when he began to make very definite distinctions. Finally, he completely reversed his policy—this is what I want to bring out. When the Russians made known that they were dissatisfied with this radical attitude, with the inauguration of the Democratic administration, and indications that there may be a softening of the Cold War, both in Washington and in Moscow, plus these representations by the Russians, Castro began to feel insecure of Russian following, and he had then, for the first time, turned to something that the Mexicans had advised him to turn to at the outset; that is the support of Latin American governments. The turning point came in that famous note which did not, I think, make enough impact possibly in the American press—the note signed February

23rd and delivered around the 27th of February by Roa[5] to the foreign ministers of the 12 Latin American nations that still had relations with Cuba. That note devoted something like 23 pages to denouncing a United States plot to invade Cuba, with the complicity of Nicaragua and Guatemala. And then in the last four pages he called on the governments of Latin America to use their good offices to avoid this disaster.

RUMORS OF AN INVASION

Senator **Morse**. If you do not mind my interrupting—I think you ought to point up for this committee any information you can give us as to when, as a correspondent down there, you started to hear rumors or information or propaganda about the preparation for the invasion of Cuba, and what the effect of that was in Cuba.

Mr. **Raymont**. The first invasion scare that I experienced, of course, came shortly before Christmas. I must say that I thought it was pretty good strategy by the United States to keep Castro on his toes—this invasion scare all but paralyzed Cuba. You may remember that Guevara came back midway in the invasion preparation. If I talk of invasion scare, I mean there is a general mobilization, they send the militia to camps, which means they depopulate factories, they depopulate department stores and virtually paralyze production.

On the whole, they make fools of themselves. They would put cannons out on the Malecon, which would be like expecting an invasion to come up the Potomac. This looked pretty ludicrous to all the foreigners there, and I think to the population in general, because we all felt that—I should say that most of us felt that this was a deliberate movement to distract the attention of the people from the internal problems and from political persecution, and to justify increasing repression. You know the old proven technique—create an external threat to justify all sorts of internal repressive measures.

Then on January 20th, the same day President Kennedy was inaugurated, the invasion alarm was called off, and everybody laughed—"well, what sort of arbitrary date is this?" And it was the obvious move to win sympathy from the Democratic administration. In effect they did have sort of a moratorium on attacks against the Kennedy administration for about 3 weeks. And then Castro let loose again. They claimed, of course, that they were only responding to hostile remarks by the new administration.

The new report of an imminent invasion came as the hostility against the Kennedy administration grew.

I have here a report dated March 26, of one of his speeches, the lead of which says that the Castro regime confronted some bold internal and outside opposition with the threat to turn any United States supported attacks against it into a continental war involving the whole of Latin America. And as usual, Castro claimed as his allies the workers, peasants, students and the intellectuals of all of Latin America, as well as his huge Communist supplied arsenal.

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[5] Raul Roa y Garcia, Cuban Foreign Minister.

The March 26 dispatch said—"the 34-year old prime minister told his audience that nobody needs to worry about an invasion, as anything approaching the Cuban coast will be drowned in an avalanche of shrapnel, whether or not it is supported by Yankee planes or ships."

Well, their intelligence seemed to be much better than ours, and by ours I mean that of the Latin American diplomats or the American journalists in Havana.

TRAINING OF AN INVASION FORCE

Senator GORE. May I ask a question. I understood Senator Morse to ask when there were first reports of the training and assembly of this Cuban invasion force—information regarding it was in circulation in many parts of the United States, many places, throughout the fall. Did this not reach Cuba? You referred here only to the invasion scares.

Mr. RAYMONT. Yes. I think last November the Cuban press already talked of the base in Guatemala. There is fairly substantial evidence that they did have people who had infiltrated the Guatemalan invasion base. There was no question about that. In fact, I think there was even talk of a film that was taken by Castro supporters in this base. As a matter of fact, I am reminded now of the trial of Major Bill Morgan, who lost his American citizenship. He fought with Castro, and was executed in March.

Senator LAUSCHE. Of Toledo, Ohio, I think.

Mr. RAYMONT. He was tried with 24 of his immediate entourage—young men who had fought with him in the first battle of the Escambray, and were then accused of having helped the new anti-Castro Escambray fighters. And I discovered in prison that there was considerable evidence that he was quite active in helping the Escambray rebels.

Senator CAPEHART. Mr. Chairman, may I ask a question?

Mr. RAYMONT. I just wanted to make a point. Two young men who were in his group had gone to Mexico, had taken a plane, had flown to Mexico. One of them was a Mexican. And they had gone over into Guatemala. This was in October. They are now serving 30 year sentences.

I talked to their lawyer, and he claimed that this mission was connected with the anti-Castro preparations in Guatemala, though ostensibly they were on an espionage mission for Castro.

Senator LAUSCHE. Espionage in favor of Castro?

Mr. RAYMONT. Yes. They were then sentenced for conspiring against Castro. And it may be legitimate. That is, they may have gone over—because these were fairly critical months: October, November, December. Many people who had previously held any doubts were convinced that the 26th of July movement, had gradually fallen into the hands of Communists and they were then moving into the opposition.

Now, they had nothing to do with the people in Miami.

Senator GORE. So you think that there is no question but that Castro and his government were well aware of the training underway in Guatemala early in the fall at least.

Mr. RAYMONT. Yes.

Senator **Lausche**. What do you identify as the July 26th movement?

Mr. **Raymont**. The people who were in the mountains, the original Castro group.

Senator **Morse**. At the time of Castro revolution.

Senator **Lausche**. Oh, yes.

U.S. WEAKENED ITSELF

Senator **Capehart**. Has Castro convinced the Cuban people that the United States invaded them?

Or are they convinced?

Mr. **Raymont**. No. I do not think they believe it. I do not even think——

Senator **Capehart**. Did he try to convince them?

Mr. **Raymont**. I do not think so. What he had been saying all along—and to my surprise when I got to the States I found that this was true, this was official policy—was that our Chiefs of Staff had approved these combat plans, that these men were trained here and that there was substantial participation in military support, that is, in taking them to Guatemala, and presumably shipping them from Guatemala.

Senator **Capehart**. We weakened or strengthened ourselves in Cuba as a result of our part in the invasion?

Mr. **Raymont**. I think we have terribly weakened ourselves.

CASTRO'S TRACTORS OFFER

Senator **Capehart**. What is the purpose of Castro wanting tractors, or is it just in the middle of a long speech?

Mr. **Raymont**. I think there is no real rational reason for this. I think he might just as well have said foundations for houses. I may be wrong, but I do not think I have ever seen so many trucks assembled anywhere as the Russian trucks assembled in the Havana Pier, constantly. In fact, where they were having the military tribunal in La Cabana—that is a fortress—it was packed with Soviet machines.

Senator **Capehart**. He said tractors, and he might as well have said something else, purely for propaganda purposes?

Mr. **Raymont**. I think so. Again, I may be wrong. But I would say the whole offer of tractors was one of these classical dramatic gestures of his that is then justified rationally. I do not think he ever thought the United States would take him up on it.

BOMBING OF THE AIR BASES

Senator **Morse**. Mr. Raymont, do you think he had advance notice of the invasion after the invasion forces left Guatemala and the other points of embarkation?

Mr. **Raymont**. Senator, speaking strictly from a military standpoint, although I am not a strategist, I think the best tip-off—I mean now in retrospect—the best tip-off was the simultaneous bombing of the air bases on April 16.

Senator **Morse**. Tell us about that.

Mr. **Raymont**. I will give you my first-hand experience.

I was staying in a flat, which is where I was arrested 2 days later, which is near Campo Libertad, out in the Miramar section. A plane buzzed the houses about 5:50 a.m. I jumped out of bed, because buzzing at these unusual hours meant an attack may be coming. The country was ready for something in those weeks. I probably forgot to mention that. We had again noticed tremendous mobilization of militias.

Now, here is an important thing. The experience in December was suddenly beginning to pay off. That is, we who had laughed at these useless motions were suddenly seeing that what was a very clumsy operation in December—was suddenly much more organized in January. More important, it was a much quieter thing in April. That is, trucks began to move at night. There was none of the ostentatious display of the defense efforts you had in December and January.

Well, after this plane buzzed the houses, I jumped out of bed and was about to go back to bed when I suddenly heard something that sounded like thunder, and there was one plane dropping bombs. Then another plane came from another direction. I saw tracer bullets. I got on the phone and called my downtown office and started dictating. We were filing simultaneously as this thing was happening. This plane that overflew the house was greyblue, and it had no markings to the best of my recollection.

THE CUBANS WOULD FIGHT

When the firing ceased, I went over to Campo Libertad and in the confusion at the gate, I got in. I claimed I wanted to see Castro. I heard various conversations going on. This is a voluble people. This is perhaps where the people who prepared this invasion fell down. That is, you cannot humanly organize Cubans, be they for Castro or against Castro, without the entire surrounding neighborhood knowing exactly what they are doing. This is the nature of the Cuban people.

They immediately gave me a full description of what had happened, that is the one plane had dropped bombs which had hit lorries that were full of ammunition. I saw the damage and the big lorries. When the first bombs dropped, all the anti-aircraft gunners who are teenagers, came streaming out of the building to man the anti-aircraft stations. At that point, the other plane came down and machine gunned them, and hit relatively few.

I reported all this. It was somebody in Washington who had read the story and said, "Out of your April 16 story we saw these people would fight." I said, "What do you mean?" And this is true. This had not occurred to me at that time.

If these kids under fire go to man their anti-aircraft batteries, and on top of that rush at the trucks to save whatever ammunition they can while the trucks are exploding, it should give you an idea to what extent they have been trained, indoctrinated and to what extent they have retained their enthusiasm for whatever cause they are fighting.

Now, these are 14, 15, 16, 17 year old kids. They have been given uniforms. They have been given guns. They have been given machine guns. They have an amazing amount of discipline. They have read Marti who said to die for the Fatherland is to live and they have been living Castro's slogan—"Fatherland or death, we will win."

This is awfully appealing, especially for kids, most of whom are from the countryside and had nothing before this.

Senator LAUSCHE. May I interrupt?

BOMBINGS WERE INDICATIVE OF AN INVASION

Getting your mind back on the question—Did they know about the departure from Guatemala, and you started by saying that these bombings were indicative.

Mr. RAYMONT. Yes, sir. I am sorry I went off the subject. But the thing is that the bombing of Campo Libertad at that time to a military strategist might have given an indication of what the temper of the Castro fighting forces was.

Castro arrived some 10 minutes before I got there. He arrived during the bombardment. He was already conferring with the Commandant. Then they spotted me. They said, "What are you doing here?"

In that respect, their security organization was flagrantly inadequate. Nobody ever thought of asking for my identification. They just kicked me out. I did not protest. I got into the car and went to my office, did an eyewitness account of this, and then went to the Foreign Ministry, where at 10 o'clock in the morning they had summoned the whole foreign diplomatic corps. They brought in fragments of rockets and used this as evidence that these planes had come from the United States, that these were United States planes rather than Cuban defectors.

At that point, the acting Foreign Minister, Carlos Olivares, made a very passionate speech saying that "We have reliable information or considerable evidence"—something like that—"that this is the first step in a massive attack against Cuba staged by the United States with the complicity of Guatemala and Nicaragua."

Just before I left my office, we got the bulletin from Miami about the statement by the pilots of the plane that claimed had bombed Havana saying that they were defectors. I showed this to Olivares, and I circulated it among the Latin American Ambassadors. Most of them seized this as being true. When I say most of them, I mean the people that were hostile to Castro. But diplomats like the Mexican and so-called neutral bloc left it up in the air. Like myself, as a matter of fact—I had no evidence where these planes came from. But I certainly hoped they were defectors.

PLEASE WRITE THE TRUTH

At 4 o'clock that afternoon, President Dorticos called me in, together with a representative of the AP and asked us to please write the truth. The truth was, he said, that these planes had taken off from Guatemala, that he would send us to the Ministry of Navy where they had just recovered two auxiliary tanks. A plane leaving from Cuba would not be equipped with auxiliary tanks. Well, again, deep inside we did not believe this, because you can very easily drop an auxiliary tank into the sea and say that it came from a plane.

Anyway, we were told that we had complete freedom to continue our operation, both the AP and UPI, and all they asked us was not to report anything favorable to Cuba but just the truth, because the truth was that they were about to be invaded. They repeated what Olivares had told the diplomats.

We filed our stories.

THIS COULD NOT BE A SECRET OPERATION

Then I went to see virtually all of the Latin American Ambassadors, as well as a Near Eastern Ambassador. The consensus was at that point that nobody could really commit himself, that nobody had any definitive evidence—with one exception, and this was very disturbing because the man had been a very reliable source to me. He said he believed the Castro government for this reason alone—that you could not load two planes, the two planes, for instance, that flew over Campo Libertad, with the amount of ammunition that they had, without the entire airfield knowing about it, that I knew how poorly secrecy was kept in Cuba anyway. And that he was certain this came from the outside, that this could not have been organized inside of Cuba.

Incidentally, the President had mentioned one thing that was very disturbing to us, which was as follows:

He said the reason given for not identifying the Cuban pilots who had landed in the United States was totally apochryphal. The reason given, incidentally, was that they were afraid of retaliation against their relatives in Cuba, and because there was something like 30 pilots, all the Cuban authorities had to do was call the roll and obviously those pilots missing were the ones. So this was a totally stupid argument.

Well, we could not but agree with him. And this, I should say, incidentally, is what led me to make sort of a survey of all the diplomats to see what their reaction was.

MARKINGS ON THE PLANES

Then came the story from Miami and from New York later—in fact, our own photograph, UPI had photographed these planes, showing that they bore Cuban Air Force markings. Well, this conflicted with my visual recollection. I did not sit down and write a bold refutation, because I was aware that in a moment of such tension and the quick developments, when you have shrapnel showering around you, you may be guilty of getting the wrong visual image. In other words, under oath I could not say for certain that there were absolutly no markings.

My offhand recollection is that they were blue-grey planes without any markings at all. But I say this now, as I have considerably more evidence at hand of what happened.

INSISTENT RUMORS

Sunday night I got a message from a Latin American embassy that I knew was in very close contact with the exiles in Miami. The embassy sent this to me through the owner of my flat who worked for me, on a piece of paper saying that 5,000 to 6,000 invaders were landing at two points in Cuba.

Senator LAUSCHE. Sunday night?

Mr. RAYMONT. This was the next day. In fact, it was about midnight—midnight Sunday. It had other information which I found erroneous, that the police were stopping and searching all cars in downtown Havana. I had just come from downtown Havana and this was not true. So again I handled this information with a great deal of caution. I immediately put a phone call through to the UP in New York because the people from my downtown office had already left, and couched the story in very careful terms—that is, that there were rumors, there were insistent rumors in Havana tonight that a substantial invasion force was landing. This could not be confirmed, however.

I was cautious because I had heard about eight of these rumors in the preceding 4 weeks, rumors that people had landed in Santiago. The rumors were so wild most of the time that you could just not believe it.

The thing is in this particular case, there had been the bombing of the previous day, and this meassage did come from an embassy which I knew had direct contact with Miami, and which, incidentally, had picked up all the three bishops—that is, they had given them political asylum. This was the Argentine Embassy.

ACCOUNT OF RAYMONT'S ARREST

Five minutes after that phone call, the house was surrounded by the militias. Merino[6] was with me. We were questioned separately. The reason they broke in the place was they had reports that I was making a clandestine counter-revolutionary broadcast. But there were no threats or anything. They searched the apartment. They found no transmitter and left. But, unhappily, Mr. Merino got panicky, tore up this piece of paper, threw it out of the window right into the hands of the militiamen. And back they came with scotch tape and all. They said, "Well, what is this"? I said, "This is a report which is the report I have just phoned to New York."

Incidentally, I convinced them that this was a bona fide phone call. I called my office. Somebody had arrived in the meantime—and this had tipped them off we were being held under surveillance. Subsequently, they took me down to the G-2 Headquarters, the military intelligence headquarters with Merino.

Senator LAUSCHE. Was he your landlord?

Mr. RAYMONT. Yes. But he is a well-known newspaperman.

Senator CAPEHART. That is why they put you in jail?

Mr. RAYMONT. Because of the phone call. I was in jail 6 days. They also found—and this worried me terribly—a proclamation I had typed up of one of the electrical workers, which was a proclamation urging the electrical workers to arise. And this can be, in the event of an invasion, a very dangerous document to have because you can be accused of fomenting revolution.

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[6] Adolfo Merino, a Cuban reporter for UPI.

Senator **Capehart**. Do you think Walter Reuther, Mrs. Roosevelt and Milton Eisenhower can straighten everything out down there? [7]

Mr. **Raymont**. I found it very interesting that he did not include Walter Reuther in the invitation.

Senator **Capehart**. I get the point.

Senator **Morse**. They took you——

Mr. **Raymont**. They took me to military intelligence and held me there until next morning. I was questioned. They were just being very casual about the whole thing—until suddenly somebody came out very dramatically and said, "You and you are under arrest at the orders of Major Ramiro Valdez," which is pretty bad, because he is the Chief of the Military Intelligence. Then they threw us in separate cells.

Well, as I told Senator Morse the other day, to have let me see Cuba from inside one of its jails was a stupid thing for the regime to have done, because until that moment I have to confess I had a very poor opinion of the Cuban opposition. I had seen them prepare revolutions in cocktail lounges, I had seen them refuse to give up the life that they were used to—because believe it or not, much of the country club set, although it was a fraction of what was there before, was still surviving and continuing to live in great style. And this can be a pretty shocking experience—I will give you an anecdote to describe the self-centered world of these people.

DEGENERATION OF THE REVOLUTION

The morning after two leaders of the anti-Castro underground were tried and shot, I went to the Brazilian Embassy residence. They usually had luncheons there, for people—most of whom were in the opposition, and society figures of Cuba and so forth. This was the Sunday after the Morgan trial. Morgan was shot Saturday night, together with Commander Carreras. [8]

It was a dramatic trial. Whereas they had some testimonial evidence against Morgan, there had been absolutely no evidence at all against Major Carreras. Now, a major in a Cuban revolutionary army is a general in a conventional army. They just shot this man to make an example out of him. And if you would see the atmosphere in that courtroom, it can match the most loathsome spectacles which you see in movies of the French Revolution. That is, you have sort of a perverted playboy who never fought in the revolution—he is the President of the Military Tribunal of La Cabana, which is the most important military tribunal.

This is the young man, about 25, who incidentally shot one of our military attachés in a nightclub. I think it was in November. Nothing was ever done to him. He continues to be the President of the Military Tribunal.

This man is a real degenerate and many people say he takes drugs. And he certainly gets drunk. And some of the gentlemen of the court were fast asleep while the defense was making a plea for the life of the major, who outranked anybody on the military court.

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[7] President Kennedy encouraged Walter Reuther, president of the United Auto Workers, Mrs. Eleanor Roosevelt, and Dr. Milton S. Eisenhower, president of Johns Hopkins University, to raise funds privately to exchange the captured Cuban rebels for tractors.

[8] Maj. William A. Morgan, a U.S.-born Cuban military officer, and Maj. Jesus Carreras were executed by a Cuban firing squad on Mar. 11, 1961.

Anyway, this is a fairly sorrowful spectacle. Any social progress which Castro made in Cuba, and the success of his revolution, which does exist, really vanishes when you see what price they are paying for it, when you begin to see how this revolution has degenerated.

Well, this left quite an impact on me.

SEIZURE OF SUMMER RESIDENCES

When I arrived at the Brazilian Embassy the next day, there was general gloom among the Cubans. A young couple came up to me and shaking their heads said, "Isn't this terrible?" I said, "Yes, and frankly it is one of the worst experiences I ever had." They said, "We think so too, because without sun and sea what are we going to do?"

I said, "Without what?"

They said, "Haven't you heard? The Government is taking over the last of our residences in Verdero Beach." And I thought they were mourning Morgan.

Now, this may sound ridiculous to you. But even in March this year some people in Cuba were still complaining because their summer residences were being seized. This was the painful thing to them. And, unhappily, many of these people were the kind of people who were with the Miami group.

CATHOLIC YOUTH UNDERGROUND

In jail the anti-Castro opposition assumed greater substance. There you found the Catholic Youth Underground, the Catholic Workers Youth. They had arrested hundreds of these kids. And you should have seen their spirits. This was really a very moving experience. I was thrown into a cell that was half the size of this room—two-thirds the size of this room. There were eight double beds and about 49 of us. This can be a pretty shocking first impression. The population in this cell were students, about three university students, about five high school students, five high school teachers, the Dean of Engineering of the University, about five bus drivers, cane workers, the chief technician of the Hershey Sugar Mill. You had a complete cross-section of the population, with an emphasis, believe it or not, on the peasants and workers.

First the introduction was, "Hello, Yankee, we greet you in the tourist home of Fifth Avenue and Fourteenth Street," which was the Headquarters of G–2.

Here all of us are millionaires and Martians. I asked, "What do you mean by Martians?"

They said, "Well, the millionaires, of course, Castro admits putting in jail. But we must be Martians, the rest of us, because he says there are no workers and no peasants in jail. So that is where we must come from, the Planet Mars."

A COMMUNIST SATELLITE

Senator **Capehart**. Is it a fact that Cuba is now a satellite of Russia?

Mr. **Raymont**. Senator, the leadership is 90 percent Communist, I would say. Whether this means that it is a satellite—there is complete identity with Soviet policy. Now, whether this identity is permanent, I do not know.

Senator **Capehart**. You said a moment ago they are getting in literally millions of tons of supplies from Russia, military supplies.

Mr. **Raymont**. The economic dependence is patent. This, incidentally, some people consider good. One thing I failed to mention. When Russia was cautioning prudence in March, February and April, the Chinese were in there pitching with a zestful radicalism. There was evidence that they were at odds.

Senator **Capehart**. How many Russians and Chinese would you say there were in Cuba when you left?

Mr. **Raymont**. I do not think that number would mean much, because I do not think they are as sizable as some reports have indicated.

Senator **Capehart**. A hundred, two hundred, a thousand?

Mr. **Raymont**. In terms of technicians there are Russians, East Germans, Czechs, Hungarians, Poles—they probably run into a couple of thousand. And there may be a couple of thousand Chinese. I say there may be, because I have not seen Chinese technicians, other than when the industrial fair came. Speaking of the industrial fair, the day I left Cuba, Brazil was inviting the Chinese fair to go to Brazil. This was the Chinese Industrial Fair.

When you talk in terms of satellite, I am still not sure as to how reliable a satellite Castro is. This is an imminently vain, egotistic, egocentric man. If somebody one day offers to immortalize him in another area, such as the neutral bloc, today—you know they have just invited the neutrals to go to Havana to have a neutral summit meeting in Havana. Roa, the Foreign Minister, went to Cairo for this meeting. He is apt to carry on a pretty independent policy, independent within a strictly Socialist-Marxist framework.

Senator **Capehart**. If Russia withdraws all this economic support, then he is through, is he not?

Mr. **Raymont**. If nobody else fills in the vacuum.

Senator **Capehart**. Who else can do it except the United States or Russia, or would do it? Therefore, he must stay with Russia.

Mr. **Raymont**. I mean there are no indications at this point that there is anything but Russia there right now.

CASTRO SEES CAPITALISM DECAYING

I am thinking more in terms of his ideology. He is thoroughly convinced that the capitalist states are in rapid decadence. Alas, this was one explanation he gave of the invasion. He said that this just confirmed what he had been saying the whole time—that "They have converted into an imperialist-Fascist state in its last stages. They are resorting to violence." This, incidentally, has some impact in Latin America.

Senator **Capehart**. You mean against us, to hurt us?

Mr. **Raymont**. Yes. Of the Intelligentsia, the students.

Student groups in Latin America have traditionally been left wing, understandably so. I do think under the Stalinist era, and this is an important thing to bear in mind—the Russians were losing. That is, the conformity, the hard line of Stalinist policy went against the grain of the Latin American intellectuals and students. The new, apparently much more flexible, policy of Khrushchev has certainly picked up much following. That is, they feel—and this is articulated in virtually every speech that Castro makes—that Russia is the sort of paternal spirit in the background, that is helping these nations achieve independence, that is helping these nations throw off the yoke of American imperialism. But it will not dictate to them what they have to do.

The next step, of course, is that they do start dictating, "Well, what they dictate," he says, "is only in our own interest. We have a coincidence of interests."

I think we are in a fantastic situation right now with Kennedy's Alliance for Progress. We have a meeting coming up in Montevideo on July 15 where much emphasis will be put on U.S. initiative. I think for the first time in a long time emphasis is now being put in line with Bogotá on accelerated social reform. And, believe it or not, we have already gotten the first expressions of dissatisfaction from Argentina and Brazil, who feel that the important thing is more loans. They think social reform sounds good on paper, but feel the important thing is economic development.

Senator LAUSCHE. Can I ask a question?

Senator MORSE. Sure.

SOVIET WEAPONS IN CUBA

Senator LAUSCHE. Based upon what you heard and saw, it is your opinion that by counter-spying they knew what was going on at the base where these troops were being trained?

Mr. RAYMONT. Very definitely.

Senator LAUSCHE. Do you know whether it was evident that there were being shipped into Cuba Soviet planes or Soviet tanks.

Mr. RAYMONT. Well, Senator, this is not a secret because we reported on it extensively.

Senator LAUSCHE. What was your report?

Mr. RAYMONT. I think 35 heavy Russian tanks, and an immense number of anti-tank guns, anti-aircraft guns and medium or small tanks from Czechoslovakia. I am not an expert on this. But I can see a heavy tank.

Senator LAUSCHE. Did you see the tanks yourself?

Mr. RAYMONT. Yes. And the thing is this was not like in the opera Aida, where they have one elephant make the rounds on the stage. It looks like a big train, but it is always the same elephant. But this was a parade on one long avenue. In other words, it was not 17 tanks they were showing twice. This was January 2nd. We counted 35 tanks.

SOVIET PLANES

Senator LAUSCHE. What is the fact about Cuba having Russian planes?

Mr. **Raymont**. I think they have 12 Russian planes that have not yet been assembled. I got this information from a young mechanic who was in jail with me.

Senator **Lausche**. How were they brought in? Were they brought in in parts or how?

Mr. **Raymont**. That I do not know but again, this is standard operating procedure. You have a Russian or an East German ship there every day.

Senator **Lausche**. When do they unload them?

At night?

Mr. **Raymont**. No. These shipments are no secret. The papers will tell you every day how many tanks, how many planes—I shouldn't say they tell you precisely how many tanks. But certainly they tell how many trucks, how many armored trucks arrived. In fact, they showed this off to show the people what great support they were getting from the friendly Socialist states. This is the line.

NEWSPAPER COVERAGE OF TRAINING

Senator **Lausche**. Did the papers of Cuba carry accounts of the alleged training of persons?

Mr. **Raymont**. Yes.

Senator **Lausche**. When did this begin?

Mr. **Raymont**. Quite a while ago. You remember that the Miami Daily News and maybe Life Magazine carried photographs. They were reproduced on the front pages of "Revolucion," the Cuban newspaper.

Senator **Lausche**. And the talk was that it was Guatemala and Nicaragua?

Mr. **Raymont**. Yes—specifically Guatemala.

Senator **Capehart**. Who could have been so foolish to think you could keep an operation like this secret?

DID NOT BELIEVE U.S. HAD PARTICIPATED

Senator **Lausche**. When did you get the first intimation that we participated at all?

Mr. **Raymont**. I am very ashamed to tell you the truth about this. When you say, "participated," you mean in more than preparing?

Senator **Lausche**. That we allegedly participated.

Now, forgetting Guatemala and Nicaragua. But in the actual landing.

Mr. **Raymont**. I will have to be very honest with you. I never believed it. I got out of jail on the 26th, something like that. I stayed 2 days in the Brazilian Embassy, where I heard television and where I heard Castro give a full account of this, where I did not believe half the things he said. But that was sheer self-delusion. I then landed in Miami on the first plane out. I had a quick bite to eat with Stu Novins of NBC and Tad Szulc. Then I was given Time Magazine, when they put me on the plane for New York. I will tell you another thing. I felt very proud and dignified and courageous about my behavior in prison and under questioning and so forth. And I burst into tears when I read Time Magazine. For the first time I saw that we had gone on record admitting our participation in this. All along I had been arguing, and I thought very effectively, with Cubans, with Latin American diplomats and what not, to show up this farce that was being perpetrated in Cuba—I had a statement by President Kennedy which had come over our wires, that we were not behind this. I had a statement by Ambassador Achilles,[9] in the Middle-West in a speech saying that Castro has one of the strongest military forces in Latin America. I had a statement by the Prime Minister of Peru disagreeing with Arthur Schlesinger that Castro was using support in Latin America.

I had—and this to me was one of the most important defenses—the arrest of Orlando Masferrer, a Batista leader, not for any contravention of emigration laws, but for violating the neutrality act. And everybody would agree with my argument that the United States is an imminently juridically-minded nation.

Senator **Capehart**. You mean in Miami we prosecuted them, while the same government and officials were participating in this?

Mr. **Raymont**. My point was that in our society what is good for one is good for the other. And this was by far the most expendable man. To me, this was an alarm, an example for the others—lay off, we mean business. We will have no part in an invasion.

Senator **Capehart**. Our government.

Mr. **Raymont**. Yes. And now, this is as far as our assessment, and which I thought was correct, of Castro's military strength was concerned.

CASTRO GAINING SUPPORT IN LATIN AMERICA

But then there was another factor and this testifies to it—that is, we were writing for days and days and days on the shift in Cuban policy. There is a great paradox there. While Castro was looking for support at home, he was gaining support through a very intelligent policy in Latin America, because he was beginning to offer——

Senator **Lausche**. That is, he listened to Mexico in making an appeal to South America?

Mr. **Raymont**. But it is not just Mexico. It is Brazil, Ecuador, and believe it or not, Chile and Colombia as well. And certainly in a decision to attack or not attack, somebody must be thinking in terms of what other repercussions will be in Latin America.

Another argument which I thought was the definitive argument was we have a young President, surrounded by intellectuals; do you not think he would ask himself the key question, and that is what will we do 48 hours after we have won.

Senator **Capehart**. That is a good question.

DEFEAT WAS A GOOD FORTUNE

Mr. **Raymont**. You know, frankly perhaps it was good fortune in terms of relations with the rest of Latin America that this invasion failed. There was no reason to believe that everything that Castro says is baloney. In fact, much of what he says and has been saying, with our help, has come true.

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[9] State Department Counselor Theodore C. Achilles.

Senator **Capehart**. With our help.

Mr. **Raymont**. One of the things he has been saying is that sure, he can be overthrown by American armed force, but by doing so the United States would dig its own grave. Well, I am fairly certain that if this invasion with direct United States military support had overthrown Castro, we might have had to have a landing force off Venezuela, another one possibly off Chile, and God knows what would have happened in Brazil.

Senator **Lausche**. Did you anticipate that there would be an effort to land?

Mr. **Raymont**. I did think perhaps small groups would land, yes, but simply as a matter of harassment.

AID TO THE PEOPLE, NOT THE GOVERNMENTS

Senator **Capehart**. We have to go and vote. What is the best way to work out of a bad situation?

Mr. **Raymont**. We have a magnificent opportunity now to use Castro's own method, to make clear to the people of Latin America that we favor social reform, that we favor measures so that our aid goes to the people and not to the governments.

Senator **Capehart**. Of course, I have been advocating that for a long while. But on the other hand we do not want to go 100 percent socialistic in order to satisfy them.

Mr. **Raymont**. I am sure these reforms do not mean socialism.

Senator **Capehart**. They do not necessarily, but they might work to that end if they go too fast. I would say if you did what they are talking about, have the social reforms they are talking about over a period of 25 years, you would be doing a good job.

Mr. **Raymont**. That may be too late.

Senator **Morse**. I want to interrupt just a moment to say—and I do not want to impose ourselves on you, Mr. Raymont, but this is such wonderful testimony, and such an important record that you have made—I have half a dozen or so questions I would like to ask right after this roll call, if you can tarry that long, in order to sort of tie the ends of this testimony together. It will not take me very long to go and vote.

[Whereupon, a short recess was taken.]

IMPRESSIONS FROM A CUBAN PRISON

Senator **Morse**. So that we will not impose upon you unduly, Mr. Raymont, I will proceed with some questions. I would like to start with two or three and then have Senator Hickenlooper proceed.

I would like to take you back to jail, not to keep you there, but tell me some of the things, some of the impressions that you formed in jail in your conversations with this cross section of people. Tell us some of the impressions that you formed and some of the information that you obtained from this cross section of 48 co-prisoners with you in jail—a dean, high school teachers, college and high school students and a good many workers. What was their impression as to what was going to happen in Cuba in relation to Castro and his regime?

Mr. **Raymont**. I am glad you gave me the opportunity of finishing a thought started earlier, Senator.

I think it would be safe to say that two-thirds of the people who were in prison, who were of this cross section that you describe, were actively against Castro. They roughly fell into two major opposition and underground movements in Cuba and can be described as left of center.

There was the Catholic action group, there was the Catholic workers—Catholic youth workers organization, there was the 30th of November movement which was—they were all former 26th of July people that were quasi-socialistic, but very strongly anti-Communist. All of them were frankly hostile to the Miami exiles, to the revolutionary council—not to the council in itself, but they felt resentful at having to work with politicians who they felt were still mainly interested in traditional political power, when they felt they were the ones doing the actual work—they were the ones planting the bombs, distributing the anti-Castro literature. And they were the ones who felt they had a chance with the Cuban people. I had previously been in touch with some of the underground youth leaders, one in particular I am distressed to see has been captured. They were in the Catholic Youth Movement. They had not been advised of the invasion to the best of my knowledge, nor had the 30th of November people who were concentrated in Havana.

THE 30TH OF NOVEMBER PEOPLE

Senator **Symington**. Excuse me. Could you define 30th of November people?

Mr. **Raymont**. Yes.

Senator **Symington**. Who were they?

Mr. **Raymont**. It is a group identified with David Salvador, who is the former leader of the CTC, and who was ousted by the Communists. He was violently anti-American, incidentally, but also non-Communist. And in the latest wave of arrests—he fell, too. That finished the last leadership that was non-Communist.

The people in this movement were mainly working class people. There were some professionals, some members of the Ortodoxo Party that had been very close to Castro. And it was considered generally in Havana to be the most effective sabotage group. Their leaders in the last month were arrested and shot.

THEY FELT BETRAYED

These people felt betrayed, and that is when Senator Capehart asked me what I thought the prospects were. I think they are fairly dismal over the immediate future, because they felt betrayed on two accounts.

I think their belief was that the United States had been convinced by some people that this would be a push-over, that the thing to do is not to make commitments with anything but the center and right of center groups, and that we had backed the wrong people all down the line. Now, this happens to be the second time that this argument was used by the Miami exiles.

The 30th of November people, and Manolo Ray's group made it clear that they felt the resistence in the Escambray Mountains failed because of the political bickering in Miami. That is, when the people in the Escambray asked for help, CIA would not provide it before it was cleared with a number of other people. And the nature of this, of the Escambray resistance, was that they were relatively small groups moving from place to place. If they radioed for help from such and such a spot, and that help came instead of 24 hours later, 5 days later, it fell right into the hands of the militia, because this group would have moved on. This was the explanation I had from people who had been in contact with Miami as intermediaries. And these intermediaries [between the 30th of November movement and the exiles] came back very embittered about what was going on in Miami.

What I am talking about were actually middle class people who feel that unless you make some concessions, political concessions, economic concessions, you are going to lose it all. And I personally am afraid that this applies to all of Latin America. That unless we move with groups that may not be wholly to our satisfaction, we are going to find groups that are totally against us.

I am now thinking for instance of what happened in 1958–59 when some Brazilian officials came up with Operation Pan American. I remember how the State Department felt—that this is not the sort of thing we want to support, because these people are neutral, they are not wholly on our side. I think this assessment was wrong. But I think that today people in the State Department are praying that if only this were our main problem—that is to support Operation Pan American—and I think as time goes on we are going to find more and more the dilemma of supporting people who will be on our side in general terms, but not perhaps conform to our whole political and economic thinking. But the alternative will be to compromise or to be confronted one day with a wholly hostile set of circumstances in Latin America.

But this is departing from what Senator Morse asked, which was what were the attitude of these groups in jail.

BATISTA GROUP IN THE INVADING FORCES

I think they felt betrayed on the point of the organization of the invasion—that is, that they were not included. And this was even further aggravated by the presence of Batista supporters in the invasion. That did it. I mean I had one after another of these people, my cell mates, say, "if I got out now, I would first have to fight the invaders, and then fight Castro."

Senator MORSE. Do you think it is true, Mr. Raymont, that within the Cuban exile invading group we had not screened out all the Batista groups?

Mr. RAYMONT. Very definitely. When I mentioned before that it is amazing how they have not even learned to be a little discrete now—I am talking of the counter-revolution—I am thinking of the talk which was strictly off the record with the leader of the group of 10 prisoners that just came here [to Washington].

He had met with Tad Szulc, whom he knows very well. He did not know me. Tad even asked him if he could bring a friend along, and he said, "No, the place is full of CIA, don't bring anybody." Three hours later I called him, without referring to Tad's visit, and I said, "I am Henry Raymont of UPI. I know your father. I had a talk with him the other day. I would like very much to talk to you." He said, "Well, I am busy right now, but come up at 6." I went up, without anybody identifying me. This young man had never seen me before. He told me things that were just astonishing, in confidence. They were so astonishing—and it deals with his assessment of the invasion—namely, we had won the invasion; 2 days after the landings had moved in 75 miles, that they had captured five cities and 11,000 militiamen, that the only thing that went wrong was all of a sudden they ran out of ammunition. Well I am not a military expert, but it strikes me that most officers must find some justification whenever they lose a battle. It is never bad planning. It was always something must have gone wrong, something that they did not expect. Well, in this case the only thing that went wrong was the lack of ammunition, he maintained.

Senator SYMINGTON. Excuse me. This is a fascinating story. Who was the man you were talking with? Was he an officer in the invaders?

Mr. RAYMONT. Yes. He was the leader of the group of prisoners that was allowed to come to the United States to raise money for their freedom.

LINE UP WITH NEUTRALISTS

Senator SYMINGTON. Could I ask one other question? You say if we line up with people who do not look at our political and social ideas—just what do you mean by that?

Mr. RAYMONT. What I meant by that is that there was a time in our Latin American policy when the only people we would support would be yes-men. Now, when I say we, I am actually talking of officials in the State Department dealing directly with——

Senator SYMINGTON. Let me ask the question again. Do you not feel that we would line up with any people that have an ideological difference with us that was somewhat total, would you say?

Mr. RAYMONT. That was what?

Senator SYMINGTON. You are talking about neutralists in other countries or liberals, but not Communists, is that correct?

Mr. RAYMONT. Correct. In some cases, they even included capitalists in other countries. I am thinking for instance—I have in mind the famous Augusto Ferico Schmidt, who was the bete noire of the State Department. Mr. Schmidt was to many people in the State Department worse than a Communist, because of his independent language. He talked of Communist China. What did he say? He said if the United States will not make a massive effort to help us, we will be put in the position one day of having to trade with the Soviet Union and Communist China.

Senator MORSE. He attacked us in the United Nations, and that put him in the doghouse.

Mr. RAYMONT. I am thinking principally of the meetings here lately of the Committee of 21.[10]

Senator SYMINGTON. Is he a Cuban?

Senator MORSE. Brazilian.

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[10] An inter-American group constituted to implement Operation Pan American that met at the Organization of American States 1959–60.

Mr. **Raymont**. He was to Kubichek[11] what [Sherman] Adams was to President Eisenhower. He was the man who thought up Operation Pan American. It started out with a very dramatic letter from Kubichek to President Eisenhower in the wake of the Nixon trip saying, "This is a dramatic reminder that something has gone radically wrong in our inter-American relations. Please let us put our heads together and have a thorough review." These are the words of the letter.

Senator **Hickenlooper**. And put up $10 billion of American money—$40 billion.

Mr. **Raymont**. Senator, this was the State Department's reasoning and I agree with you. We do not have to do that. We can nevertheless say fantastic idea, wonderful, let's put our heads together and let's go forward in a bold, imaginative program. And we could run with his idea. The thing that appealed to me, to be very honest, was that for the first time in my experience in Latin America you had a slogan which was something other than strictly political. In other words, he had given sex appeal to an economic reform, to an economic action program.

OPERATION PAN AMERICAN

I do not think that if you submit an idea to me, that I have to agree completely with it. Still this came at a time when we really needed something to lift relations in Latin America. I mean we really needed something, because the only alternative came 2 years later, and that was Castro—you know, as something that fired the minds of the people in Latin America.

I think Operation Pan American had this ingredient that you need in Latin America, which was it was a slogan and it was a slogan for something more than what Peron[12] offered. Peron's slogan was demagoguery, hate America. Argentina was going to rise as the leader of Latin America. And here was a different kind of program, Operation Pan American, which called for our cooperation with Latin America. I am sure we could have reduced the $40 billion to $500 million or $1 billion. In fact, Mr. Dillon finally, through some personal contacts with Schmidt, got around that. That is, he finally convinced Schmidt that he was behind it, and this was done over a few drinks, and this was done by embracing this man and by flattering his ego. Incidentally, Mr. Schmidt, I should say, happens to be a professor of French literature in the University of Rio. He is a wealthy industrialist and owner of a supermarket chain. In other words, the danger of this man being a Communist or even a Socialist is very remote.

The thing is that this is a very vain man. I do not think we were getting very far with him by ignoring him which was the policy at the time. He would arrive here and he would expect to be received by the President or our Secretary of State, and he would be received by a Brazilian desk officer with a very long face because he didn't like Mr. Schmidt.

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[11] Brazilian President Juscelino Kubichek.

[12] Former Argentine President Juan Peron.

WHY THERE WAS NO UPRISING IN CUBA

Senator MORSE. Tell me why in your opinion there was not an uprising in Cuba at the moment the news got out that there wa this invasion attempt?

Mr. RAYMONT. For two reasons. First of all, I think there had been an erroneous assessment on popular opinion. I talked before of the erosion in Castro's popularity, that it had reached a record low at the time. There was dissatisfaction, but especially in a country like Cuba, that does not mean readiness to take action against the government. I think the classical case is Batista. It took Castro 2 years to get the urban population interested in his movement. In other words, it takes an awful long time for people to really be aroused. Whereas there was dissatisfaction, certainly the alternative of a return to the past would be the last thing that would stimulate further dissatisfaction. On the contrary, it has restored a considerable popular support for Castro.

Senator MORSE. And you think now he has been strengthened?

Mr. RAYMONT. Absolutely. The other reason is the people who were prepared to stage an uprising, the groups I mentioned before, were to the best of my knowledge kept out of this.

Senator SYMINGTON. That is an awful story.

Mr. RAYMONT. And these were reports that I got from people who were in the underground, who I think are very honest and very reliable—from groups holding their noses agreed to a strategy outlined in Miami that was using former Batista army elements—not Batista leaders, but the former regular army. You should have seen these people rounded up in Havana Sunday night and Monday morning. In other words, when that happened the people that were involved in this knew that the invasion would be just an abysmal failure. At the same time, there was a tremendous amount of armament captured in Havana, which leads me to believe that the underground just chucked their arms. They were so disillusioned that they would not fight. Many of them were arrested, but without arms. I think that there must have been some deliberate handing over of weapons. In other words, the disenchantment of, one, not being called into the planning of the invasion, and two, of the composition of the invading force, completely embittered this fighting force that I think was potentially by far the most effective. most effective.

ASSESSMENT OF CASTRO

Senator MORSE. You think it will be some time before you can stir up a revolutionary spirit again?

Mr. RAYMONT. Absolutely.

Senator SYMINGTON. What do you mean by some time?

Mr. RAYMONT. Well, again, Senator, this would depend upon what the internal policies of Castro are. I think we have been quite wrong in considering the man an absolute maniac. He is anything but that in terms of policy. This man has great cunning, he has a great sense of drama and he has great understanding of the psychology of his people.

I think a typical example is the constant threats to execute people. Now, when do you have a series of executions which never, incidentally, exceed 20 or at the most 30, in this last instance? In times of outside threats. Who is to blame for the execution? CIA, Pentagon, et cetera. In other words, "we want to live in peace" is the line, "but we are forced to do this." But at the same time, of course, it is a very effective way of suppressing internal discontent. And these executions, contrary to some press reports, are very widely publicized with photographs of the people before execution and so forth.

He does not feel the need to shoot, to have mass executions, as is reported occasionally, because this is a much more subtle way of exerting control. One important thing to realize is that the Castroites need to have an image of their own behavior that is radically different from the Batista dictatorship. It was Batista who tortured, who took lots of people and shot them. They do not do this. They put everybody through a trial. A trial is a sorrowful spectacle, but at least they feel they are preserving the formality, and that in this respect they are completely different from the Batista era.

MONTEVIDEO CONFERENCE

Senator **Morse**. Now, turning to another matter, you spoke of Montevideo in July. Don't you think Cuba will go to it?

Mr. **Raymont**. Absolutely.

Senator **Morse**. Won't Cuba try to scuttle it?

Mr. **Raymont**. Well, aren't we there to save it?

Senator **Morse**. I know. But don't you think that Castro himself will go?

Mr. **Raymont**. I do not know. I think that would again depend on how he feels about the climate in the rest of Latin America. I think that again he has such a cunning eye for dramatic effect that if he feels it is better to appear conciliatory, which sometimes he feels, then he would just send his Minister of Economics or Roa.

Senator **Morse**. I am almost through. We have no relations with Cuba now except through the Swiss, which at best is not satisfactory. We have Montevideo coming on. They are undoubtedly going to have a delegation there. And so we will have to rub shoulders with them there. In the last few hours it has been announced that the OAS is going to exercise some jurisdiction over the Dominican Republic, at least going to send down an inspection team. Castro is, I think, throwing out some bait that if we grab it we are going to get the hook right where it hurts. We are going to have to have Mrs. Roosevelt and Milton Eisenhower down in Cuba, which can very well lead to opportunities of embarrassing our country. This certainly is not an official move yet to try to get the OAS to do some negotiating in behalf of all the countries, including the United States in regard to the prisoner problem. I do not look upon this as a prisoner problem between the United States and Cuba; I look on this as a prisoner problem between Cuba and the whole hemisphere.

AN OBSESSION IN OUR FOREIGN POLICY

Did you form any impressions or reach any conclusions or have any observations to give the committee as to whether or not our policy ought to be to move in the direction of having the Organization of American States function as a substitute for us in trying to develop some relationships between Cuba and the hemisphere, including the United States; that in turn offering the possibility of leading to a reestablishment of some kind of direct relationship between the United States and Cuba through the good officers of the Organization of American States?

Mr. RAYMONT. Senator, I would like to answer that in two parts.

One is by recalling my thoughts when I left Havana on the plane, and I watched Cuba become an increasingly smaller and smaller island as the plane climbed up. It was inconceivable to think of this small island of 6 million people suddenly having become such an obsession in our foreign policy. I think one of the greatest mistakes was to engage them in a dialogue of invective. I think this was proven by some experiences I had in Havana after President Kennedy's inaugural speech. The Castro regime did not know what hit them. Why? Because they were not mentioned. This kept up, alas, only for another fortnight. But in that fortnight we had the feeling that they were very, very uncertain. They did not know what had happened. Why? Because they had suddenly fallen into perspective. Kennedy's plan was to help the needy nations in relation to Latin America and the great plan was to eradicate the causes that had lead to a Castro or to other forms of radicalism in Latin America.

CASTRO LOVES THE LIMELIGHT

Now, if Castro is isolated as an example of what can happen to a society that is full of discontented people, that is full of political corruption, then he would have served a useful purpose. But if he is used to arouse our political passion and suddenly show the rest of Latin America that we have so little confidence in ourselves that we cannot move without constantly using him as a frame of reference—this feeds him. This is a great thing for him to be in the limelight. I may be wholly mistaken. Many people contend that this man was always a Communist. But I am sure that one of the great things that attracted him to communism was to share the U.N. platform with Khrushchev, he was brought into the great council of nations. This is still a country of 6 million people. That is why I think that our diplomats—there must be a reservoir of great minds, of great imaginative minds in the United States—certainly can hold their own, even if Castro, who is this great orator, comes to the Montevideo conference. I have always, in fact, looked forward to seeing a debate between Castro and Stevenson or Roa and Stevenson. But the ground was cut out from under Stevenson. With a sense of humor, and with the feeling of self-confidence that I think the United States has eminent reason to have, we can cut him to size in a very short time. But not if we indulge in emotionalism, not if we panic over every word that this man says.

U.S. SHOULD IGNORE CASTRO

You know, I am afraid that in many instances this happens. I think again one of the things that can cut him to size is for us to ignore him. I think we should closely follow what he does, and how he tries to penetrate the rest of Latin America. We should certainly slap his fingers—and we will get plaudits from all over Latin America—when he exceeds his own borders. And we should constantly point out violations of human rights, constantly point to Cuba as an example of what happens to a totalitarian society. I think that is more important than to talk of the Communist menace, because this is one thing that people do not understand in Latin America. Why do we have relations with the Soviet Union, why do we talk to Mr. Khrushchev and why do we object to Cuba talking to Khrushchev and Cuba having close relations with the Soviet Union? That is, because we do not emphasize enough that it is not to their relations with the Soviet Union to which we object, but it is to the growing transformation of Cuba into the totalitarianism society—the pattern of which has been set also in the Soviet Union.

BREAKING DIPLOMATIC RELATIONS

Senator **Morse**. Do you think we made a mistake in breaking diplomatic relations?

Mr. **Raymont**. I think so.

Senator **Hickenlooper**. How could we operate? How could we operate with a total of 12 personnel, including cooks, chauffeurs, and everybody else?

Mr. **Raymont**. When I heard that speech [expelling most of the U.S. Embassy personnel], my emotional reaction was not only to break off relations, but to pull out every American citizen from Cuba, because I never felt so insulted in my life, as an American, than after that speech that Castro made.

Senator **Hickenlooper**. I am not talking about the emotional part. I am talking about the practical operation of a mission in Cuba, where we were limited to 11 or 12 people.

Mr. **Raymont**. Senator, the Yugoslav Embassy has four or five. And I am sorry to have to say this, but I have found that those four or five had better information on Cuba than the 80 people we still had when I first went there.

Senator **Hickenlooper**. I would not dispute that. I think there is some validity there.

Mr. **Raymont**. It is not the number of people. It is the quality and the kind of contacts they had. Again, I think there was a bias in the type of information that we were getting, that our diplomats were getting.

Senator **Hickenlooper**. What I mean is, we had vast economic interests and political interests in Cuba. Historically, traditionally, everything else. I do not know how we could have operated with just two or three people. It is like trying to run my office with one stenographer over here. You cannot operate it—I mean from a practical standpoint.

THE DIFFERENCE BETWEEN WORD AND DEED

Mr. **Raymont**. I would like to pursue the emotional reaction one point further, Senator, because this to me was one of the greatest lessons I have ever had. I realized that diplomats or newspapermen do not have a right to have one of the most sacred emotions, and that is anger. We cannot afford anger, it clouds our judgment. Take the January 20 speech, in which he berated us from top to bottom—it would have led in any other Latin American country to bloodshed. They would have mobbed Americans, they would have torn the American Embassy to bits. And this is exactly, the moment that he spoke, what I felt they were going to do.

I was not working. I turned the speech over to Marty Houseman, my deputy in the UP bureau. I rushed down to the American Embassy. There wasn't a policeman in sight. I thought, as I had experienced in other Latin American capitals, that this would set the stage. I waited and I waited and I waited. There wasn't even one boy who scribbled a nasty word on the white walls of the American Embassy, which is the least I expected. I thought they would destroy the place. Not one person came out.

You see the difference between Castro's vituperation and actions is very cunning. It always follows when you least expect it. He will warn, for instance, today, that he is going to shoot all the invaders, and then he comes and negotiates. This is the anti-climax. This is the psychological warfare that he constantly wages.

For instance, for the first time after that speech I understood why Ambassador [Philip] Bonsal at one time had recommened the evacuation of American citizens from Cuba, because a speech like that was bloodcurdling. And you really had honest grounds to fear for the well-being of the American citizens.

Had we done it, however, we would have looked ridiculous in the eyes of the Cubans, who know that between the word and the deed there is tremendous inconsistency.

As a totalitarian society moves on, the gap is going to narrow.

OUR INTELLIGENCE WAS PITIFUL

My fear is that by breaking relations we acted out of pride. What we did was to deprive ourself of direct access to data. We cannot be without direct access to the data of what is going on in Cuba. This is not China any more; this is the Western Hemisphere. And there are, Senator, things that the Europeans know how to do. The British Ambassador in Havana was a former consul general in Zagreb, Yugoslavia. The Brazilian chargé d'affair was the former minister to Prague. The Belgian Ambassador is the former ambassador to Bucharest or Sofia.

The point is that most of these people have had Eastern European experience. What does this mean? This means that they can see not just in what way is Cuba following the road to communism, but what are the manifestations that are different from the normal paths toward communism which we may or may not be able to exploit, to turn away from this. In that respect, I think our intelligence was pitiful, because the people that we had for the most part did not know what the dynamics of the Communist take-over were, and what the counterforces in Cuba were.

Senator Morse. Do you have any estimate, Mr. Raymont, of how many personnel there are in the Swiss Embassy in Havana?

Mr. Raymont. I think they may have increased it to eight.

Senator Morse. We turned it over to an embassy that had less than Castro wanted us to have.

Senator **Symington**. I would like to ask a question or two. I am terribly impressed by what you have said, but I would like to ask two things:

THE TRACTOR DEAL

First, the tractor deal, and second, the position of Muñoz Marin[13] in the Caribbean. One looks toward the future, and the other is something that is a crack. I do not know how big or who is in it.

Mr. **Raymont**. The tractor deal, if the intent of your question is should we have accepted it, I think this was the first time that we caught them off base. I really believe that. I think, if I know Castro's mentality, and if I know his assessment of our policy, he thought we would immediately reject it on the self-righteous grounds. And I think in Latin America you cannot afford being self-righteous, least of all in Cuba.

We took him up, and I think the question that we should have asked him right away, and I think even our Government should have done it, is "What color do you want them?" And then send them down with a portrait of Kennedy on each tractor, something like that.

And the next question, assume the deal is accomplished, okay, now we offer you $1,000 a head for every Cuban who wants to leave that you will let out. And see how many people—whether freedom has a greater appeal or not than your fine socialist state.

I admit that this sounds of demagoguery, but we have been taking it for a long time without replying in kind intelligently. And I think that the outcome in Latin America could be foreseen. That is, here we are, the materialist Yankee Imperialists giving up tractors like mad or giving up money like mad for what? For Cuban lives; not American prisoners. We are going to pay for it; fine. And there you have committees formed in various Latin American countries to help us raise money if necessary. Again, what is the alternative? Turning it down and standing on principle. But how would this have been exploited in Latin America?

You see, had these been American lives, they would have said, "They would have paid whatever ransom we asked for. But since they are only Cubans, since they are only cannon fodder for the Yankee Imperialists, they are not interested in their fate."

Now, you are dealing with emotional populations, and the people who would not have respected our respect for principle would have been a very small minority, and not one that reflects popular opinion there. I think this was a great thing.

TROTSKYITE CONFESSIONS

Since I talked to the leader of a group of ten prisoners, I must say that I am worried about one thing. What I failed to mention before—besides his account of this victorious battle they were waging until they ran out of ammunition, was his account of the great, high morale among the Bay of Pigs prisoners. This completely conflicts with what I saw during the televised trials. I saw a couple of hundred go in, with some exceptions, but many of them go into this Trotskyite confessional orgy—mea culpa—"We were wrong, we never intended to fight our brothers, we were misled." And I would not rule out the possibility that what this young man said may be completely what he believes because this would conform to the completely unrealistic thinking of many of the people in exile. But at the same time, I would not completely rule out the possibility that Castro might have a ruse, that once we accepted the prisoners' deal and once he saw himself in a box—because this man is a Houdini, he was going to try and win the second round, and that is, "All right, you have accepted the deal; now I am awfully sorry but we just took a vote, and the OAS can come and certify the tally here, but two-thirds of the prisoners do not want to go back; they want to till the land, they want to build the Fatherland." I do not rule this out.

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[13] Luis Muñoz Marin, Governor of Puerto Rico.

In other words, we must be prepared for this type of thing. You must be prepared for anything when you deal with Castro. But the thing is, I do think we have enough reservoir in this country of able men to match him. This, if I may, leads me to one more point:

U.S. HAS MUCH IN COMMON WITH LATIN AMERICA

I have always been impressed with people like Bill Rogers, who are regarded as eminent young Americans, who can articulate what this country stands for. The first one that I met, which was in Argentina, was a young American pianist by the name of William Kapell, who later died in a plane accident.

These young people would come down to Latin America, to a completely hostile atmosphere, especially among the intellectuals in Latin America, who say, "What do you have to offer, other than your modern chrome built automobiles and your refrigerators?"

Willy would sniff at this stereotyped contempt, irreverently pull up his pants and respond by playing the piano. And people in Latin America who had heard mainly European artists suddenly realized they never heard playing like this. This had guts, this had freshness, and above all, this had optimism, which in Europe you no longer find.

What happens? This strikes a bell among the Latin Americans who, believe it or not, have much more in common with us than is generally assumed. And when I say "us," I mean with the people in the middle west, with the people in the American universities who know none of the restrictions that European ideology has.

Europe on the whole is a pretty skeptical and cynical, I think, culture today. We have much more in common with Latin America, with Latin American youth, than they have, than Latin America has with Europe. We have not been able to articulate this.

WEAKNESS OF U.S. FOREIGN SERVICE

This has been one of the great weaknesses, for instance, I think, of our Foreign Service in Latin America. We have expertise. We have people that really think they know everything, all the nuances about Latin America. And the last thing they can do is articulate what the United States stands for.

Now, there are some magnificent exceptions. But on the whole, I think that the Foreign Service address mainly the business interests.

As a matter of fact, many times people in business in Latin America are far more enlightened than some of our diplomats.

But the point is, when will we learn to make use of these highly literate, highly intelligent people, such as Bill, such as the tremendous reservoir of young artists that we have here who not only know how to play the piano?

Last week Eugene Istomin was here. He is another well known young artist. He spent the weekend talking politics, and doing so very lucidly.

Why can't we have something like that which will attract the type of people into our Foreign Service? This was just a thought, but it is relevant to the decision about to be made about an Assistant Secretary for Inter-American Affairs.

Well, unless we can get somebody——

Senator HICKENLOOPER. We have one, don't we?

Senator MORSE. No.

Mr. RAYMONT. There was speculation.

Senator MORSE. It is speculation.

Senator SYMINGTON. I can offer you a good guitar player, not a pianist.

Senator MORSE. Senator Hickenlooper, you have been very patient.

FUNDAMENTAL AMERICAN CONCEPTS

Senator HICKENLOOPER. I have been fascinated by what Mr. Raymont has had to say. I think this has been one of the—well, I was about to say the most profitable discussion on this subject we have had thus far.

Mr. RAYMONT. That is very kind of you.

Senator HICKENLOOPER. I would like to sit around with you for about 3 hours, but I have some areas of possible disagreement at the moment on some things, which I would like to explore. But basically I am concerned in the main as to whether or not we are being gradually induced or pushed into a position of abandoning what I believe to be fundamental American concepts in deference to what we call Latin American temperament and Latin attitudes. That we must do this because the Latins want it this way, and so on. Whether the issue which we should follow is an issue of not stupid or arrogant adherence to what we call American principles, but adherence to fundamentals which we believe to be good in this country, and then try to deal with the Latins.

I am not overly well acquainted with Latins. I have been to various countries in Latin America a good many times. But I do not speak the language, I do not have any opportunity to get really intimately acquainted with a lot of these things. I realize that in many concepts they have certainly similar views to ours, and in many concepts they do not. They look at things a little bit different—like the people in South Carolina look at things a little different from my people in the State of Iowa. We do not always really put ourselves in their position sufficiently so that we have a sound understanding of them.

PREACHING SOCIALISM TO THEM

But I have found that there are people who are greatly concerned with Latin America, and especially the plight of the great masses of people in all these countries, who need relief and need political and social development. And every once in awhile we send somebody down there that preaches Socialism to them. That is about what it amounts to. We have Americans that go down there and agitate against predatory capitalism. And I think capital has been predatory on occasion, but also capital in Latin America has done a great many things for them.

I think the pendulum could swing the other way just as well as it may have swung. We have been clear over to the right in the early days of predatory operations. But what the balance is is very difficult to determine.

Mr. RAYMONT. Senator, as for basic American principles, and if you mean freedom and respect for human integrity, and respect for such things as the right to criticism——

Senator HICKENLOOPER. And go a step further. The principle of incentive, the reward for effort, the dignity of the individual to pursue his own destiny. Those are pretty fundamental with us. At least I hope they still are.

Mr. RAYMONT. Correct. And I was again going to come back. I very rarely heard them articulated as forcefully and imaginatively as I heard Bill Rogers in a discussion the other day. As he was talking, I was sort of saying to myself, "God, if only some editors and highly literate gentlemen who had held me up in Sao Paulo about 2 years ago and entered into a long discussion of what American principles are—if only they would be listening in on this conversation—they would find a complete identity in what Bill was discussing and what he was projecting as fundamental American thought."

The thing is I wonder how many people have been able to articulate this in Latin America, other than to a few select people. And again I think it is mainly the business community that form the thinking of the political leaderships in Latin America.

SOMETHING HAS TO BE DONE

Senator HICKENLOOPER. My impression is, based on completely inadequate knowledge, that there is still clinging in South America—well, first, that there is a growing realization on the part of the top people, let's say, who are socially and politically in these countries, that something has to be done.

No. 2, they are in violent disagreement among themselves as to what ought to be done, and that blocks effective action.

No. 3, they hope that by some legerdemain, that we will come down and bail them out somehow, furnish a formula.

Mr. RAYMONT. I would disagree with that last. You have very good grounds for the first two points.

Senator HICKENLOOPER. And then No. 4, that there is an awful lot of struggle in a lot of these countries as to who is going to control the boodle, that the other crowd wants in. And that there is not so much high-minded principle involved in many of these so-called reformers in Latin America, but that the motivating force is that the other fellow has had enough now, and it is time for me to get back into power and run the show for a while. It is a complication growing up perhaps for historic reasons and historic background. It is very hard for us to get our perspective. We are not perfect.

TWENTY NATIONS

Mr. RAYMONT. This is a terribly complex situation. You have among other things 20 nations, many of which are very, very different from each other, suddenly, being projected into the middle of the Twentieth Century and going through some tremendous social and political convolutions right now.

Senator HICKENLOOPER. That is one of the things I have tried to point out—a great mistake we have in this country is we call it Latin America. There is no such thing as Latin America except as a geographic area, and an area in which the old, original basic cultures came from generally the same source.

But you have 20 countries, and they all have hostilities toward each other to a greater or lesser degree, their jealousies and so on. They are individual countries, just like the United States, Canada, England, Germany, and so on. We have a common culture, but we do not get along on a lot of things.

U.S. BACKS THE WRONG GROUPS

Mr. RAYMONT. Senator, one common denominator running through our policy toward all the Latin American countries until about 5 years ago, with a certain amount of consistency, was that we somehow or other seemed to be in the position of backing the wrong man or group of people. I am not pretending that I have the answer or would have done any different. But the fact is that, for instance, I remember in this Senate a couple of your colleagues for years spoke of [Romulo] Betancourt, who is today the president of Venezuela, as one of the leading Communists in the Western Hemisphere. They spoke of Figueres[14] in the same breath, and some threw in, Muñoz Marin to boot, as a Communist stooge.

Well, today I am sure many people are saying that we should have more Communist stooges like these three leaders who are perhaps the most obnoxious men to Communist aspirations in Latin America.

I do not think any of the three, for instance, can be accused of even Socialism. I say that in reference to your earlier statement that there was a lot of agitation against predatory capitalism.

I wonder, Senator, that if you were acquainted with some of the wealthy people, in Havana, even today, I wonder what line of argument you would use with them to communicate a sense of responsibility.

I am particularly thinking of one incident that just happened no more than 2 months ago, when one of the first secretaries of the

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[14] Jose Figueres, President of Costa Rica.

Brazilian Embassy was going to Genoa, and he was asked by a member of one of the finest families in Cuba, "Would you please take a package for a friend of mine and drop it off in Miami." I visited this Brazilian friend of mine, and he said, "Henry, would you please bring over that valise." I went to the corner and tried to pick up the valise with one hand and could not, and tried with both and could not. There were two of them. There were two bags this size loaded with jade. This tells me something. I do not know quite what.

Senator **Hickenlooper**. How did he get it through Customs?

Mr. **Raymont**. He did not take it. This Brazilian diplomat just used this as an illustration of the complete lack of realism of some of these people. You see, Senator, one thing I think must become clear to everybody today. People who believe in a free society—we must give up something. I am not talking of giving up belief in the inviolability of property. Not at all. I am merely talking of something as simple as when you have a fleet of air-conditioned Cadillacs, maybe it might be a good idea to give up three, because if we do not we are going to lose all five. This has been happening in country after country. That is, unless these people realize that they have to contribute something to their society, unless they grow responsible, we are going to have Castros shooting up all over Latin America.

CASTRO DID NOT COME FROM NOWHERE

Senator **Hickenlooper**. You wouldn't get any argument out of me on that. I am thoroughly committed to the idea if these people do not become realistic and do something, it is going to blow up in their faces.

Mr. **Raymont**. Senator, I am afraid many people who have been preaching this sort of thing, who have been saying for heaven's sake, pay your employees a little better salary, for heaven's sake create a housing or building and loan company, do this and that—many of these people were called Socialists or called dangerous thinkers and things like that. Of course today I do not think they are any more. Another thing, for instance, I visited many of these tremendously opulent homes in Havana. One thing that strikes you is you never see a book shelf. You see very ornate decorations.

Senator **Morse**. Are they still allowed to live in them?

Mr. **Raymont**. Some; if they leave the country and go to Miami, the house is immediately confiscated. The point is that Castro did not come from nowhere. There were reasons for this thing to happen. It was not a historical accident.

Senator **Hickenlooper**. I was in a private house down in Rio a couple of months ago. It was quite a dinner. I think if they just took the diamonds from the women that night they could have balanced the Brazilian debt and paid for Brazilia. But I am aware of what you are talking about. I heard one woman, a very beautiful young woman there, one of the ancient families of Rio, hold forth at length at this formal dinner. She held forth about the common people. It is a shocking thing to hear those things. But there are many people in these countries, many leaders that are aware of this.

ISOLATING CASTRO

Senator **Morse**. I want to be the devil's advocate here for a minute. We are following a course of action now that in effect isolates Cuba as far as United States-Cuban relations are concerned. I assume we are following that course of action because we think that is the best way to bring about the downfall of Castro.

I suspect that there are those that feel that if they can maintain their isolation policy long enough, Castro might get into economic trouble and he might commit some act of desperation that will give him an excuse to allege an aggression against us, may even go so far as to cause the sinking of the Maine, and lead to an invasion.

It happens to be my opinion if you follow that course of action you have lost much of Latin America for half a century. But be that as it may.

You have that alternative.

Now, we are a very proud nation and it is very difficult for us to follow a course of action that is subject to the interpretation that we have made a mistake. I take it for granted that if we should suggest a national policy of bilaterally seeking to negotiate with Castro for the re-establishment of some kind of diplomatic relations between us, it would cause such a furor in this country that we probably would stop in our tracks. And yet I wonder if we just are not going to have to make a choice between two alternatives. One, the policy of isolation, of isolating Cuba, quarantining Cuba which can lead, it seems to me, to the danger of intervention and possible war. Or two, calling on our friends diplomatically to help by paving the way through some international body—and I think of course of the Organization of American States—to use their good offices to start the process of re-establishing relationships between Cuba and the United States, first through the Organization of American States prior to Montevideo and through Montevideo, and then finally toward the actual resumption of diplomatic relations.

What is your reaction to the two alternatives I have outlined, or any other alternative that you think may be in the picture? Because you never have a status quo—nothing stands still.

A MORATORIUM ON AGGRESSIVE DIALOGUES

Mr. **Raymont**. I would think at first that in view of past policy—and I thought this was actually the intent of the administration as of January 20—that is, establish a moratorium in terms of the aggressive dialogue. In this case, I think we suffer the burden of being the more mature, older and bigger nation. Even if he kicks, and even if he insults us, there should be silence. There should be a span of time where there was no back and forth of this nature. It should show something.

Also, I do not think we can take it out of the broader context of East-West relations. I think if there is a hardening of the cold war, this can be terrible. The pressure within the United States for action against Cuba will mount.

I do not pretend to have the answer. On the other hand, if there is even a moderate relaxation of tension, I think the chance of at least a first step in the direction of having a neutral Cuba, a Yugoslav type thing, even if it is in our backyard, no matter how obnoxious it seems to us, no matter how it hurt, I do not see the alternative but to accepting it.

You know, no matter how distasteful and tragic this is to the Cuban exiles—at this point I think—I see the picture this way. I think that in our belief in the need for free expression of the peoples of this Hemisphere—time is on our side. This is one of my rock foundation truisms—that a human being needs freedom. Well, I still really believe in it. And I still think this is our great asset in the ideological war with an absolute totalitarian system. Sooner or later it has to come out. It is already coming out, I think, in Khrushchev's signal of being more flexible than Stalin's policy—not because they want to, but because they cannot hold the people down. And I wonder if this would not eventually, no matter how Castro controls the situation—if this will not find its way through there, too. I do not think it will in the immediate future.

REESTABLISH RELATIONS WITH CUBA

Senator MORSE. We are making a great appeal to Latin America—we are interested in human lives, we are interested in individuals, therefore we are willing to negotiate an exchange of tractors for 1,200 Cuban exiles who were caught in an ill-fated invasion, with regard to which we have some responsibility. That is fine—although I think it should be done officially through the United States Government, calling upon the Organization of American States to be the intermediary, and not a group of private citizens. But what are we going to do when the counter propaganda starts that is going to start—"Well, if you are interested in human lives, why do you limit your interest to Cuban exiles? You do not have to be in prison to be prisoners of Cuba. There are thousands, hundreds of thousands that are prisoners in Cuba. And what are you doing in order to give them hope?" They will say, "Eventually you want the overthrow of the Castro government."

Well, we have learned one lesson from proletarian governments—if you do not produce their overthrow, then the people have nothing to throw—what is wrong in re-establishing economic and diplomatic relations with Cuba, where they do not have to go to Czechoslovakia or Russia to replace their sugar or refinery machinery, which they will do. It will take some time, with a lot of human suffering during the passage of that time. What is wrong with making available, not facilities for war, but spare parts for sugar refineries, medicines, food, necessities of life, if you are really interested in human lives where you can save a lot more than 1,200 by that kind of negotiated deal with Castro.

I realize that would be unpopular at the present time, but sometimes you have to stand for unpopular ideals if the ideals are sound.

Is it your position, based on your experience down there, that we should follow a policy that I have called quarantine and isolation, or should we follow a policy of economic intercourse with Cuba, leading to diplomatic intercourse using as our vehicle or conduit the Organization of American States, if our friends in the Organization of American States are willing to stand up and be counted?

ECONOMIC SANCTIONS HAVE LED US NOWHERE

Mr. **Raymont**. Well, beginning with the last one, Senator, Brazil, Argentina, Mexico have made eminently clear that they are ready, willing and eager to do just that—and Ecuador I should add—to try and restore dialogue. I think it would be difficult. I do not think it is impossible. I think again that it is not quarantine and isolation; that unhappily it is a form of intervention—I was going to use the word aggression.

Senator **Morse**. Sure it is.

Mr. **Raymont**. In fact, we did something, I think, where we wasted our greatest arsenal, which I think is much more potent than our rockets, and that is our respect for legality, which is the great attraction that we have to free minds.

Senator **Morse**. That is one of the major theses of my April 24th speech. There was a terrific loss to American prestige.

Mr. **Raymont**. I was wondering if after this outburst, which I think the President himself today regards as an aberation rather than a pattern for the future—there should not be a period of calm and a moratorium on attacks and so forth. I may be entirely wrong, but I do believe that economic sanctions have led us nowhere fast, and I include the Dominican Republic in this. When I was in the Dominican Republic last year the feeling was that there was a managerial group who had been with Trujillo,[15] who were fed up with him, and who could take the reins of power. There were other people who said if you overthrow Trujillo you would have a power vacuum. I do not believe that. Who thought the only alternative to Trujillo was communism? I thoroughly disagree with that.

I do think that the sanctions strengthened Trujillo, because that plays on the nationalist fiber of the people. "We can pull in our belts." It may have made him more popular. I may be wrong. But anyway, I do think sanctions do not solve anything.

Senator **Morse**. I agree.

Mr. **Raymont**. I do think another thing. If we are convinced of the rightness of our position, that economic relations must, of necessity, lead to ideological intercourse. And I think we can only win by that.

DIPLOMATIC FACE SAVING

Senator **Morse**. I am glad we are about to enter hearings on that plane, because look at what we have done. For years now we, under Stalin, spent great sums of money for various types of activity, covert activity beyond the Iron Curtain saying our job is to reach the people of Russia, get radios in to them, magazines to them, information to them. And we just poured out the money to accomplish that. It just seems to me that on our doorstep here we have not got a serious problem of reaching 6 million people of Cuba if we were willing to subdue our pride, recognize that we have not done so well in our past policy. I know the importance of diplomatic face-saving, even for the United States.

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[15] Rafael Trujillo, dictator of the Dominican Republic, who was assassinated on May 30, 1961.

But I am coming to the conclusion that we have to do something to reestablish relations between the people of the United States, through our Government, and the people of Cuba. This point of our violation of international laws is going to rise to plague us I think, in the next 12 months in the councils of the world. It is going to rise to plague us next fall when the General Assembly reassembles. Adlai Stevenson better be strengthened between now and then, and he has to be given instructions to go up and confess our wrongs, because if we do not make the confession, they are going to make some very rough attacks on us in the United Nations as a result of what happened in Cuba.

U-2 FLIGHTS OVER CUBA

With a powerful country like the Soviet Union we were willing to say to Mr. Khrushchev in regard to the U-2 flight that we were not going to do it again. But since the U-2 flight over Russia, we have photographed practically all of Cuba. What do we photograph them with? It had to be with U-2 planes. That is a violation of international law. It does not make any difference whether it is Russia or Cuba. We are wrong as far as U-2 flights over Cuba are concerned. It is just dormant. They are going to hit us with that in the next few months. And before they can start documenting the charges against us, which is going to arouse an attitude of self-defense on the part of the United States, the people of the United States, we ought to get some procedures for re-establishing relations with Cuba on the way.

I fully realize that is pretty risky politically to be advocating. But I am fast coming to this conclusion—that the time has almost come when at least a few hardy souls in American public life ought to point out that the President of the United States—and I think this is how simple this would be—it would take a lot of courage, you would have to be ready to take a few brickbaths—but one courageous speech from the President of the United States. Maybe it would have to wait until Montevideo, but the time has come to at least offer to the Cuban people the reestablishment of economic intercourse, give them spare parts, make available spare parts, reestablish trade relations. Not only would it strengthen us throughout Latin America, but in my judgment it would do more to weaken Castro then any other device I can think of. But I do not know who will stand in support of that idea.

JOURNALISTIC STATESMANSHIP

I think, may I say most respectfully, that the journalist profession of this country has a great opportunity, for journalistic statesmanship in regard to this. You have a President who I think is a very courageous man. I think he has to see the facts. He needs to see what I think is a great opportunity for world statesmanship in regard to Cuba, because I am convinced that the policy we are following now toward Cuba does not have much statesmanship in it.

I did not mean to make a speech to you as I close this record, but I want to tell you what some of my thinking about it is. I will change my opinion in the next 5 minutes if I can be shown this is not in the interest of my country, because I am only interested in doing what I think would be in the best interest of my country. But I cannot believe that a quarantine attitude toward Cuba can lead to anything if you do not stop it, except some kind of eventual intervention on the part of the United States in Cuba, which would mean the loss of most of Latin America and might really lead to a third World War.

That is the last thing I am going to say, but I would like you to know that opportunity to make a final remark on the record.

EXAMPLE OF A FREE SOCIETY

Mr. **Raymont**. Senator, what comes to mind is what happened in the last 5 years vis-a-vis Soviet Union, which under Stalin was isolated. Now I cannot but think there must be a very high correlation between the flexibility, the greater flexibility in domestic policy that the present Soviet leadership has shown, and the growing exchange, allowing Soviet missions, Soviet artists, Soviet students going to the West. A country that is not self-confident, that it can change—that it is evolving, that it is fairly strong—would not allow this intercourse. And at the same time I think we have lost the xenophobia or the fear of what is behind these people; that this is not a thing of all being black and white.

I do think in a sense that we are forcing, by our example of how a free society lives, to make them more moderate, more flexible. I hope, at least, that these things—the sudden spurts of violence—are more an echo of the past than a portent of the future. And that the future will see a gradual softening of the Soviet position accepting freedoms that we hold sacred. I think this can be applied to Cuba, too, with much greater chances of success in Cuba which only recently has lost its Western type.

Senator **Morse**. Mr. Raymont, in closing this conference, rather than a hearing, I want on behalf of my subcommittee and the other Senators not members of the committee who attended, on behalf of Pat Holt who is our professional adviser on the Latin American subcommittee, on behalf of Dr. Marcy, who is Chief of Staff of our Foreign Relations Committee, to thank you for what I think has been a most enlightening seminar that you have conducted here as our professor this afternoon.

To Mr. Rogers, I feel a little chagrined we have not taken the time to permit you to participate in this record, because I feel there is much you could add, too. And I mean this in all seriousness when I say that I would like to give you an opportunity to confer with us, give us the benefit of your views. I would like to have you take a moment now to make a brief statement in this record, because the record will show your presence, and the record ought to show something about your capacity in which you sit with us, your background, because I am sure the committee would like to have your views in regard to Latin America also.

HOW HE GOT OUT OF CUBA

Mr. **Rogers**. Senator, I think Henry has misrepresented my status up here. I do not come as an expert. I really come in three small capacities. One, as his friend; two, as his sometime lawyer;

and three, as one of the conspirators that helped arrange his escape, which is a thrilling story in itself.

Senator **Morse**. How did you do that? I am not asking for confidential information, but he has talked about being in jail. I would like to know how he got out of Cuba.

Mr. **Rogers**. Henry did not know the full story until several days after he got out. But he was arrested Monday morning very early and we knew about it during the business day on Monday. Nobody was terribly concerned about it. We had hoped that after the invasion started Henry would be released automatically. By 8 o'clock Thursday night there was radio broadcast—I do not think it was a news or commercial broadcast, but a government broadcast—within Cuba, that was intercepted in this country by a Miami radio station. The Miami radio station advised Tad Szulc and one or two others early in the evening of Thursday of invasion week, and we heard about it. Tad advised me. I heard about it from another source and called Tad who had just heard about it. He was in Miami. We consulted quickly about 8 o'clock and decided the only thing to do was not to try to work through any official U.S. sources, but to try to work through Latin American friends.

The report was that Henry was going to be executed at dawn the next morning.

Senator **Morse**. There was a story in the paper up here to that effect—not that he was going to be executed the next morning, but there were stories about the probability that he would be executed.

Mr. **Rogers**. Well, by about midnight the whole world knew about it. I had called a friend of mine in London and he got the British people out of bed at 4 o'clock in the morning and they filed a protest with the Cubans in Longon against the possibility of Henry's execution. A number of other people worked very rapidly through Latin American diplomats, some of whom sent direct messages to Castro in Havana.

Others visited directly with Mr. Roa, who was that night on the floor of the General Assembly of the U.N., urging that any attempt at assassination of Henry would be a terrible blow to world opinion on the part of the Cubans. Telephone service to Havana had by then been shut down. Finally, at about 12 o'clock Roa got a call through to Havana and reported back to two or three of the delegations at the United Nations who were at that time alerted and working on the matter that it was true there was an order for Raymont's assassination, but it was not going to be carried out right away—and this was the first official confirmation we had.

At 2 o'clock Roa was saying, no, Raymont was not going to be assassinated and not to worry about it, until he was tried. By 4 o'clock in the morning he was saying, don't be concerned about it, there is nothing wrong, he has merely been picked up with invasion papers on him, and he was being held for questioning and surveillance. And then by the next day things had calmed down a little bit. It did not look as though he would be assassinated. More work was done. People kept calling. And then the Cubans let him out.

SOME PROBLEMS TO WORK OUT WITH THIS ADMINISTRATION

Senator **MORSE**. Thank you very much. I want to thank both of you for the great contribution you have made to the record of this committee. Mr. Raymont, I want to say that as far as I am concerned, this is but the first of a series of conversations I hope to have with you with regard to not only the Cuban, but the entire Latin American affairs problem.

And Dr. Marcy and Mr. Holt and I appreciate any help you can give to this committee, because I think in helping this committee you really can be of great assistance to this administration.

As you probably have surmised, we have some problems to work out with this administration. We mentioned just one earlier this afternoon—just the matter of the appointment of an Assistant Secretary of State for Latin American Affairs places upon this subcommittee a duty of at least offering its advice to this administration. There are many other problems that will arise between now and Montevideo, where we ought to be of help to the administration. And I mean no flattery when I say that with your long background of experience in Latin America, I think we have a right to call upon you to perform what I consider to be a trust of citizen statemanship in being of help to us in trying to avert what I fear could very well be some very serious mistakes, to the great injury of this country, unless we all work together in trying to solve some of these problems that have been going awry as far as our policies are concerned in Latin America.

I close by thanking you most sincerely for the great help you have been to us this afternoon.

[Whereupon, at 8:30 p.m., the hearing was adjourned.]

MINUTES

THURSDAY, JUNE 8, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met at 2:30 p.m. in executive session in room F-53, Capitol.

Present: Chairman Fulbright, and Senators Lausche, Church, Symington, Hickenlooper, and Carlson.

Richard N. Gardner, Deputy Assistant Secretary for International Organization Affairs, testified on the bill (S. 1983) Relating to Foreign Aid. He was followed by G. Mennen Williams, Assistant Secretary of State for African Affairs.

For record of the proceedings, see the official transcript and published hearings.

[The committee adjourned at 5:20 p.m.]

THE CUBAN SITUATION

THURSDAY, JUNE 8, 1961

UNITED STATES SENATE,
SUBCOMMITTEE ON AMERICAN REPUBLICS AFFAIRS
OF THE COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 5:20 p.m., in room F-53, U.S. Capitol Building, Hon. Wayne Morse (chairman of the subcommittee) presiding.

Present: Senators Morse, Fulbright, Hickenlooper, and Aiken.

Also present: Senators Symington, Dodd, George Smathers of Florida, William Proxmire of Wisconsin, Benjamin Smith of Massachusetts, John Stennis of Mississippi, and Thruston Morton of Kentucky.

Mr. Marcy and Mr. Holt of the committee staff.

Senator MORSE. The hearing will come order.

I wish to say, Mr. Nitze, this is a very informal hearing. We keep a strictly executive record for the files of the committee. We wanted you up anyway, but we particularly wanted you after the President told me that he would like very much to have me include you among the witnesses who would come before us and confer with the committee in regard to not only the so-called Cuban invasion but the question which, so far as I am concerned, is the important question, and that is what are we going to do now.

I am interested always in profiting from lessons of the past, but I am considering it not only from the point of view of answering the question of where we go from here. The President will tell you, I talked to him about this matter, and he said he was very anxious for us to have the benefit of your views in regard to the Cuban situation and its relationship to Latin American problems.

I think I should tell you that we have been conducting, for the past several weeks, these very informal hearings in which we have been discussing the Cuban situation; the whole Latin American situation, for that matter. We were briefed by Secretary of State Rusk, Mr. Allen Dulles,[1] and by General Lemnitzer.[2] We have conferred with some newspapermen who were on the scene at the time of the invasion, such as Mr. Raymont of UPI, with whom we conferred for 2½ hours yesterday, I guess, or longer.

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[1] Allen Dulles, Director of the CIA.

[2] Gen. Lyman L. Lemnitzer, Chairman of the Joint Chiefs of Staff.

COMMITTEE'S ROLE AS ADVISER

We will have Szulc of the New York Times; we probably will have five or six other witnesses, after which we will submit to the full committee, if the subcommittee approves it, and I think they will, a recommendation that we simply advise the President that our record is available to him, and we are available for any advice or consultation he might wish to receive from us based upon our conclusions following this series of very interesting hearings.

I want to stress that this is not an investigation. We are not investigating anything. We are trying to learn. I think, as an old professor, I have been conducting a seminar more than I have been conducting any other type of forum.

We feel, sir, that as legislative representatives of the people of this country, we have a responsibility for making ourselves available to the administration for advice and consultation, if the administration wants it, keeping in mind the fact that we have a clear constitutional duty to function as a check upon any administration, in keeping again with our constitutional responsibility.

CONSULTATION SHOULD TAKE PLACE IN ADVANCE

I tried to bring out that I think it is much better that we consult in advance rather than ex post facto. We have had assurance from Secretary Rusk that the Foreign Relations Committee will not again be confronted with what we were confronted with this time, an after-the-fact notification which put us in a difficult position.

There is no doubt about the fact that had we been consulted in advance of the attempted invasion, at least there would not have been unanimity on the part of the committee in support of the invasion. I am inclined to think there probably would have been unanimity against it.

The only person who was even aware of it was the chairman of the full committee, Senator Fulbright, but he became aware of it under facts and circumstances that placed him under the wraps of executive privilege, so he did not feel that he could even inform us, which we respected when we found out about it.

But as far as I am concerned, that is water over the dam. I want you to know, and anyone else in the executive department, I am very proud of this subcommittee. There is not a partisan on it. There never has been. I do not know one on the Foreign Relations Committee. I do not know of a time in all my service either on this subcommittee or on the Foreign Relations Committee that I ever felt that political consideration entered into a determination of the committee, of which I am very proud.

HEARING PROCEDURE

I make these informal remarks just to orient you at least to the attitude of the subcommittee. What we have been doing is letting our witnesses proceed in their own way to tell us what they think they wish us to know, and after they finish making any statement they wish to make, and as informal as they wish to make it, then we just sit around and ask questions of each other.

I close by saying that I am one chairman who does not limit the witness from answering questions or Senators from asking questions. I always believe that the witness profits from this kind of discussion. If there is anything you would like to know from us, we are at your service.

So, with that introduction to the hearing, I ask you to proceed to discuss with us in your own way anything that you care to, in regard both to what your understanding is as to what transpired in connection with the invasion of the Cuban exiles and, more importantly, what we ought to do now, in your judgment, by way of foreign policy toward Cuba and the rest of Latin America.

STATEMENT OF HON. PAUL H. NITZE, ASSISTANT SECRETARY OF DEFENSE (INTERNATIONAL SECURITY AFFAIRS); ACCOMPANIED BY BRIGADIER GENERAL W. A. ENEMARK, DEPARTMENT OF DEFENSE

Mr. Nitze. Let me begin, Senator, by saying that our office in the Pentagon, the Office of International Security Affairs, advises the Secretary of Defense on international matters, and works very closely with the Joint Chiefs of Staff and with the Joint Chiefs of Staff organization. I would like to state right away that the working relationship between me and the Joint Chiefs of Staff has been very close, I think wholly productive. I have the highest confidence in the Joint Chiefs of Staff and their dedication and their competence.

Senator Morse. I want to assure you that I share that confidence.

Mr. Nitze. As you know, I have been abroad for most of the last month, first, at the Oslo NATO Conference and, second at the Laotian Conference at Geneva, and just recently with the President on this Paris-Vienna-London mission, so there may be gaps in my information with respect to the things that the subcommittee is interested in.

UNCERTAINTY SURROUNDING CURRENT POLICY ISSUES

But, to begin with the question of the Cuban invasion, I think there is one point that has impressed me a good deal about the situation we face today, as opposed to the situations which I remember having dealt with in the period 1946 through 1952. In those days, when one considered the important policy issues, such as the initiation of the Greek-Turkish program, of the NATO program, the Marshall Plan, things of that kind, after going through all the pros and cons on those issues, it seemed pretty clear that the pros were of the order of 80 percent and the cons were, perhaps 20, things of that kind. From the foreign policy and defense standpoint the issues, after you had gone through them, were pretty clearly on one side; at least it seemed to me that way.

But today, when one deals with these issues, they are not that clearly 80 percent pro and 20 percent con. They tend to be 45–55, in that area.

I have heard a number of people advance the theory that we should not act unless we are pretty clear that the action is going to be successful. I think if one were to adopt that principle, that you do not act without a high assurance that the thing is going to be successful, you can find yourself in a position of non-action, and I think that cumulatively this could put us in an untenable position if we did not act today, even though the situations that we faced are difficult to assess between the pros and the risks involved.

CONSIDERATIONS WEIGHED BY EXECUTIVE BRANCH

I think the Cuban situation was clearly in this category where the pros and the cons were, at least it seemed to us, hard to evaluate as between——

Senator AIKEN. Who were the pros and the cons, the officials of the government or the public?

Mr. NITZE [continuing]. Weighing the considerations in favor of action as against the considerations against action within the U.S. Government, within the executive branch of the U.S. Government.

Senator AIKEN. Within the executive branch; not, say, in the public weigh the pros and the cons, because the public did not know.

Mr. NITZE. The public did not know about it. I am talking at the moment about the considerations with the executive branch.

One thing that seemed to be serious was the prospect that Castro's regime would become—it seemed to us that it was already under the domination of the Communist people in Cuba; that it was proceeding to a point where it would increasingly develop and control all the parts of the society in Cuba, where everybody would be eliminated who would not work with the Communists.

At that time there still was the possibility for opposition to the Communist regime. Subsequently it looked as though the 100 pilots who were training in Czechoslovakia would be trained and would return; that there would be a substantial buildup in the military capacity in Cuba. Experience in the past had shown, that once such a Communist regime gets a hold, a thorough hold, of a country, it is very difficult to get it out. It has never yet been done.

It has been shown in Tito's administration, where Tito broke with Moscow, but we have not yet seen a thorough Communist regime eliminated, so the long term continuance of the Communist regime in Cuba would have very great effects or might have in the rest of the hemisphere. This would be a source of infection in other parts of the hemisphere; it would be an example of one country that has been able to resist the United States, and persist in that resistance, and adopt this thing.

If the Cubans themselves could get rid of this thing early, why, at that stage, that would be clearly far better than if this long term development took place. So the real issue as it faced us was what would the costs be of success.

IMMEDIATE CUBAN UPRISING NOT EXPECTED

It seemed to us if you could get rid of Castro through the Cuban revolutionary movement, this was far better than the prospect we faced than if this could not be done. Now, the only question was a question of whether this was a reasonable prospect or not. I personally feel there has been some confusion as to what was hoped for in the way of a rising by Cubans themselves.

It was not estimated by anybody who heard discussion of this thing that there would be an immediate rising of the Cuban people against the Castro regime. It was thought that there was a possibility that if this landing could become established and held for a period of time, and if it enjoyed complete—well, no air opposition, and there was a landing strip on this peninsula, and if it had some air of its own, that there then would begin to be some accretion to it from the militia who seemed to be not too satisfied with the Castro regime; that there would be a growth in sabotage and guerrilla operations around the country, and that if this thing began to grow, then a large part of the Cuban populace would rather be on the winning side than on the losing side; and if it began to grow, it could grow fast and it might have a prospect of really accomplishing the desired objective.

This was something that was very hard to estimate as to whether it would work or whether it would not work. The plan provided if this kind of accretion to the landing did not begin to really grow soon enough, that then it was thought possible for this group to cut through to the mountains and join the guerrillas. Obviously, the thing that went wrong was that the initial landing did not persist for the requisite period of time; did not have the air cover.

CONSENSUS THAT PROS OUTWEIGHED CONS

I was asked for my opinion as to whether I thought this was a thing that we should do, and I said—I think the chairman of this committee, Senator Fulbright, was present when I so said—that I had been leery of this operation because it did seem to me to depend upon an estimate of its potentialities for success, but that I had come to the conclusion I thought it should be done; that the pros, in spite of the risks, were greater than the cons.

Should I stop at this point?

Senator MORSE. It is perfectly all right. There is no question about the fact, is there, General——

Mr. NITZE. I am not a general, Mr. Chairman. I am pure Mister.

Senator MORSE. I constantly refer to you as a general up here. Mr. Nitze, there is no doubt about the fact that the consensus of opinion, in spite of the Pentagon Building, the State Department and CIA and White House advisers, pros, as you put it, overweighed the cons, and that they were all of the opinion we should go ahead and do the landing.

Mr. NITZE. Yes.

CONFLICTING EVIDENCE REGARDING EXPECTATIONS

Senator MORSE. There seems to be one conflict we found in the evidence in regard to the extent to which there was expected to be some defection within Cuba once it became known that the invasion had started.

You just said this afternoon that you did not know that anybody expected much of an uprising within Cuba. At any time in the preparation for the invasion was there any hope or expectation of internal support held by any high authority?

Mr. NITZE. I do not recollect having said it exactly that way, Mr. Chairman. What I said was the opinion that I heard was that it was not to be expected that there would be an immediate uprising; that it was only after the landing had demonstrated that it could hold and had a prospect of success that you could expect——

Senator MORSE. That is what you did say.

Mr. NITZE. Yes.

Senator SYMINGTON. Mr. Chairman, may I make a very brief observation?

Senator MORSE. Yes.

Senator SYMINGTON. I would like to congratulate Mr. Nitze for coming up here, based on some of the testimony we have had, and saying, "I recommended this program," whether it turned out successfully or unsuccessfully.

Senator DODD. I want to say that I have never met Mr. Nitze, but I have the highest opinion of him, from what I have heard, as a person of competence.

Senator MORSE. We all share that, I am sure.

INVOLVEMENT OF BATISTA SUPPORTERS

Do you know whether or not the American authorities that were involved in encouraging this invasion felt that they had eliminated from the invading group, both from a position of leadership and, as far as that is concerned, from the rank and file members, all former Batista supporters?

Mr. NITZE. My understanding is that they thought they had, but that it turned out they had not.

Senator MORSE. I had lunch this noon with this exile revolutionist, who apparently is the head of one of these Cuban groups, by the name of Ray. I was talking to him about his views as to what happened, and he said that the group was honeycombed with Batista people, and that one reason why there were not any responses within Cuba was that they knew it. They apparently had a remarkable intelligence, Cuban intelligence, in regard to what was going on, even in the camp in Guatemala.

That was verified, as the record will show, by Raymont, whom we had yesterday afternoon for a long session, who was in Havana at the time. He said the Castro people had their own intelligence people in with these people in Guatemala, and kept the Cubans informed as to what was going on, even in the Guatemala camp.

PHRASE "HONEYCOMBED" QUESTIONED

If true, it comes as a great surprise to me. I should think a better job could have been done in ferreting them out in advance of the invasion. This, of course, is another way of saying that hindsight is better than our foresight, but I was quite surprised to have that verified, if reliable, by the statements that this man Ray made to me at lunch today, that the people who were involved—and you know the jealousies that exist among these Cuban exile leaders—but that many of the people who were involved in it were former Batista people. Had you heard any information to that effect?

Mr. NITZE. I would be as surprised as you, Mr. Chairman, if it were true, this being honeycombed this way. I did talk to Manuel

Ray[3] subsequent to the invasion, and the impression I got from him at that time was that there were one or two—I may be wrong as to the one or two—but a small number of the Batista people in the invasion, but that a great deal was made of this fact by the Castro people, and that certainly the detriment to the success of the invasion from there being any was far greater than any contribution that such people in the invading party could possibly make.

Senator MORSE. He did not leave me with the impression there were only one or two. He apparently, since he has talked to you, has changed his story; you see, he now says there were considerable numbers. I asked him if the term "honeycombed" was a proper descriptive term, and he thought it was, which leads me to ask you something else.

RESTRICTIONS ON CUBAN EXILES

Ray also said this noon that he and some leaders of other exile groups had been placed under restrictions at the time of the invasion, and they were not allowed to participate in any way. In some instances, he was satisfied it was about to be forthcoming; in some instances some of the Cuban exile leaders did not even know what D-day was. Had you heard that complaint from Cuban exiles?

Mr. NITZE. I heard the complaint from him and from other Cuban exiles.

I think one thing, however, should be borne in mind, and that is that from all the evidence I have heard, the landing did, in fact, take place unopposed; that the Cuban, the Castro people did not know when or where and did not pick it up prior to the actual landing. If it had been honeycombed with informants, it would seem to me it would have been highly unlikely that this could have taken place.

Senator MORSE. It would seem so to me, too.

How soon after the landing took place did those Castro tanks that we understand arrived, get onto the scene? If there was no opposition when they landed, why didn't they get further inland than apparently they did?

Mr. NITZE. I understand that as they came in one of the ships was picked up; the alarm went off on that.

Senator MORSE. I see. That is when the Castro air force started its attack, shortly after that?

Mr. NITZE. Shortly after that, at dawn.

SHOULD U.S. SUPPORT ANOTHER ATTEMPT?

Senator MORSE. What do you think ought to be our position now in regard to giving any further support to these various Cuban exile leaders who apparently are busily engaged, in both private and hopeful public support, trying to obtain such support for a further invasion, for further invasion attempts? Do you think, as a matter of government policy, we should seek to encourage them to build up their arms and system of training of their men, whether it is in an area X, Y, or Z, anyplace within the hemisphere?

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[3] Head of the anti-Castro Cuban exile group, Revolutionary Movement of the People.

Mr. NITZE. The Revolutionary Committee immediately after the failure of the invasion wanted to be recognized as the government-in-exile, and wanted a commitment that the United States would support them in a renewed and larger invasion.

It is my personal view that we should not do this. This first thing having failed, it is highly unlikely that a second attempt of the same nature would be successful. We should not make any such commitment to the Revolutionary Council.

CURRENT TRAINING PROGRAMS

The problem arose as to whether we ought to train some of these Cubans who are outside Cuba now, even after the failure, because one cannot be sure that a situation may not arise under which Castro may be overthrown or where there may be some other contingency under which you would want to have intelligent, well-trained Cubans available to reconstruct the country if Castro is eliminated.

The Department of Health, Education, and Welfare is, as I understand it, undertaking a program of training those refugees who have competence as doctors, administrators, things of that kind. We have a program in the Defense Department for inducting directly into the armed services some small number of Cubans who fall within the age brackets of, what is it, 18 to 26, somewhere in that area, that would not be trained as a Cuban group, but would merely be trained as soldiers in the U.S. Armed Forces.

I think this is where that problem sits at the moment. Is this a correct statement?

General ENEMARK. Yes, it is.

Mr. NITZE. I am given to understand that it is.

Senator MORSE. Please remember, Mr. Nitze, any time any of us ask you a question that you think, because of your relationship to the executive department, is privileged—and I never question that—you will please tell us if it involves a privilege question.

I do think the committee would like to know whether there are any present plans to give military aid in the form of arms, equipment, or in the form of training, in the building up of a rebel force anywhere in this hemisphere preparatory to that rebel force functioning as reserves for guerrilla forces inside of Cuba.

Mr. NITZE. I know of no such plans at this time.

POSSIBLE ACTIONS THROUGH OAS

Senator MORSE. Do you have any views or opinions you would like to express to the committee as to what course of action, if any, you think our Government ought to urge upon the Organization of American States with respect to the Cuban situation?

Mr. NITZE. I would think the first thing that should be done is bilateral negotiation through diplomatic channels with the Latin American States. It is difficult to get agreement within the Organization of American States until a great deal of preliminary work has been done with the individual members.

This whole subject, or course, is primarily a State Department responsibility and not a Defense Department responsibility, but apart from that caveat, it would seem to me that the past experience in the Organization of American States is that it is difficult to get agreement within that body unless there has been a good deal of prior work.

AGENDA AT UPCOMING CONFERENCE

Senator MORSE. I am a little concerned about this July 15th Montevideo prospective conference, if no preparation for it is made by way of some attempted negotiations in the Organization of American States in regard to the Cuban matter.

I mention two problems. There is always the possibility that Castro may request an audience at that conference. Cuba has not resigned from the Organization of American States yet. I think he is desperate, and I do not think there is anything he would not do to embarrass the United States.

There is some report that the President of the United States may appear at that conference. I should think that it would be very desirable that we try, through the Organization of American States, in advance of the conference, to get a pretty definite agreement in regard to the agenda and in regard to procedures, before we get ourselves in a position where we might very well be embarrassed by this.

Senator SYMINGTON. Mr. Chairman, I think there is a vote.

Senator MORSE. I will have him answer this question and then, with apologies on my lips, I will have to run up and vote and then I will be back.

Mr. NITZE. I am afraid I cannot answer. This has been a subject under consideration while I have been away, and I am just not familiar with the thought that has gone in this problem, Mr. Chairman.

SHOULD OAS HANDLE PRISONER PROBLEM?

Senator MORSE. The second thing that concerns me is this whole prisoner problem that has arisen—and which concerns the committee—as to whether or not we would not be in a stronger position if negotiations with regard to prisoners were not being handled through some committee or commission of the Organization of American States rather than a private or quasi-private committee of United States citizens, whom Castro can sort of hold off at arms length. That is what I think he is doing at the present time, to the ultimate embarrassment of our Government.

I am asking your opinion as to whether you think it is too late to suggest that the prisoner problem be handled through the Organization of American States?

You know I am very critical of the Organization of American States. I think they have been walking out on these matters rather than walking in to help on some of these matters.

Senator Hickenlooper and I, in a joint broadcast some time ago, said we thought that we had the right to say to the Organization of American States that it is time for them to fish or cut bait. We have to know whether they are standing with us; what their policies are in regard to these matters.

My question is do you think it is too late for us to try to get the Organization of American States to take over this prisoner problem, because I fear many contingencies.

A COUNTER TO CASTRO'S TACTICS

Let me for just one moment state to you, don't be surprised if this fellow Castro says, "Well, I am not going through with it because 90 percent of these people want to stay in Cuba and help the fatherland, and the 10 percent you can have." He will say, "I don't want anything for them. You are welcome to them." He has to get out of the difficult position I think he has put himself in, but he is cunning and canny, and he might do it.

He is keeping this a United States-Cuba matter, and I reach no final conclusion, but my tentative feeling is that we ought to stop it from being a United States-Cuba matter. We ought to get Cuba against the rest of Latin America. This is the humanitarian problem, where our friends in the Organization of American States, that would not come forward, if we suggested it, to appoint a committee to handle the whole prisoner problem and take the monkey off our back, so to speak.

Is there any merit in that attitude or do you think things have just gone so far that we have almost got to go through with this prisoner deal?

Mr. NITZE. This is a subject I really do not know enough about to have any intelligent comment.

[Short recess taken.]

DISAPPOINTMENT OF CUBAN EXILES

Senator MORSE. I think we can start, and the others can join us.

In this conference at noon with this fellow Ray, he left me with the impression, Mr. Nitze, that these revolutionary groups fully expect the United States is not going to let them down, is going to give them arms, because they say without arms they cannot do anything; give them help for a preparation for further attempts to overthrow Castro.

Now, he is not leaving the impression they are contemplating any such major operation as they attempted before, but that they expected help to get guerrillas in there; they expected help in sabotage work. I asked him, for example, where is the sabotage going to take place, where are the vitals of Cuba, in his opinion, for it, and he said the factories and manufacturing plants and working through the unions and the underground.

If we follow the course, if I understand you or you indicated in your testimony, that at the present time, at least, there is no contemplation or plan to give them such training or to assist in such a program, are they going to develop anti-American attitudes and be a source of anti-American propaganda in Latin America which will prove to be to our great detriment?

Mr. NITZE. I would think that the disappointment of the Cuban exiles if nothing is done in the direction of a renewed attempt to get Castro out—I think there will be great disappointment.

NO KNOWLEDGE OF OTHER PLANS

Senator SMATHERS. Are you just going to accept that—may I ask this question?

Senator MORSE. You can ask any question you wish.

Senator SMATHERS. I did not hear what your original statement was. Was it your statement that so far as Cuba is concerned, for the time being there are no programs, no help, nothing being done; is that right?

Mr. NITZE. My statement was that I did not know of any program to train, any present program to train and equip people to go into Cuba in the way of this.

Senator SMATHERS. Do you know of any program that is designed to give them any assistance, as Senator Morse says, if they themselves have their own men and they are sufficiently trained to indulge in sabotage, to give them the weapons and dynamite and things that they would need in order for them to proceed?

Mr. NITZE. I am not sure that I would be the right person to ask. The Chairman asked whether I did know about this and I answered that I did not know. Also I have been away for the last 2½ weeks.

Senator SMATHERS. Who would know if you did not? Who would be the person in the Defense Department who would know that if you did not?

Mr. NITZE. In the Defense Department?

Senator SMATHERS. Yes.

Mr. NITZE. Mr. McNamara and Mr. Gilpatric.[4]

Senator SMATHERS. As far as you know, you do not know anything about it?

Mr. NITZE. No.

Senator SMATHERS. And you do not know any plans that they have with respect to any long range plans with respect to Cuba?

Mr. NITZE. I testified only with respect to the training of Cubans to effect landings, to engage in this operation similar to the last operation.

MILITARY CONTINGENCY PLANNING

Senator SMATHERS. Maybe I am getting outside of the realm of the direct examination.

Senator MORSE. Not at all, go ahead.

Senator SMATHERS. You testified you did not know of any matter of training, let us leave that for the minute, and let us go to the next question. Do you know of any plans being formulated by anybody in the Defense Department, any thought being given by anybody in the Defense Department as to the use of any kind of military equipment in getting rid of Castro? Do you know of any?

Mr. NITZE. I take it you are not talking about the use by our armed forces of their own military equipment in a U.S. operation?

Senator SMATHERS. I will put it in either or both ways. First, do you know of any plan that we might be working on looking toward the cooperative effort with some of the people in military action against Castro?

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[4] Robert McNamara, Secretary of Defense and Roswell Gilpatric, Deputy Secretary of Defense.

Mr **Nitze**. As in the field of military action, there is always contingency planning that goes on in the Pentagon with respect to all the various contingencies which might arise.

Senator **Smathers**. So then the answer to that question is that there is some planning going on.

Mr. **Nitze**. Military planning, yes.

Senator **Smathers**. Military planning; that is right.

Mr. **Nitze**. Military contingency planning going on.

Senator **Symington**. Would the Senator yield?

Senator **Smathers**. Yes.

Senator **Symington**. Does that military plan involve, to use a fashionable word, what is called paramilitary operations?

Mr. **Nitze**. I am talking about straight military operations.

Senator **Symington**. In other words, it would be done by us entirely without any covert approach to it or training of foreigners in any way?

Mr. **Nitze**. The plans I am talking about are of that character.

Senator **Symington**. Thank you.

Mr. **Nitze**. Obviously one must consider the contingency if Castro attacks the Guantanamo Base.

Senator **Smathers**. We are not asking you to apologize about it at all.

Mr. **Nitze**. I just want to be precise about it.

Senator **Smathers**. We are not asking you to apologize, but I am delighted that you are. I think most of the people who are here are delighted that you are. That does not mean necessarily you are going to use them, but there is some plan underway for the use of it in the event that it seems to be the thing to do at a certain time.

NO POSITIVE RESULT THROUGH OAS

Senator **Morse**. Do you think, Mr. Nitze, that any attempt ought to be made by the United States to enter into any kind of negotiations with the Cuban Government, the present Cuban Government, through the Organization of American States in respect to the prisoner problem about which I previously asked you some questions, or in respect to any agreement at all concerning the relationship of Cuba to the United States, economically or in respect to any reestablishment of any diplomatic relations to any degree whatsoever?

Mr. **Nitze**. My personal view on this is that I do not see that we are going to get any positive results. It would seem to me at the moment the thing to do is to deny to Castro the thing that he would hope, and that is that he could normalize his relations with the United States, and then be in a position to carry out the economic and political promises that he has made.

CASTRO CANNOT FULFILL HIS PROMISES

I think the one, or the best, hope that we have is that Castro will not survive even though there is not an invasion attempt, and that is that he will fail to carry out the promises he has made and indicated to the Cubans.

One of the important points on this is some of the economic promises that he has made; the hopes that he has given. As I understand it, the main points of his campaign were that there would be an end to a regime of terror, a regime of terror under Batista, and that there would be economic progress for the people that he was interested in beyond anything that had occurred before.

The reign of terror continues under Castro even more strongly than it was under Batista, and the economic promises, his economic claims, have not been met. I doubt whether he will be able to meet them with Russian help.

I think he will be able to put on a degree of show if he can take part of the infrastructure and things of that kind and put on a show of doing things which he will say are for the benefit of the people, but I do not think he can really produce the basic results that he has promised.

SOVIET REPRESENTATIONS TO CUBA

Senator **Morse**. Do you have any evidence which causes you to believe that Khrushchev is attempting to place Castro under restrictions, so to speak, by discouraging overt hostile activity toward the United States, in return for some step-up in Russian economic aid to Cuba?

Mr. **Nitze**. I have no evidence of this. It would seem to me to be intelligent from the Russian side to advise Castro to be very discreet in his public relations and in his foreign policy statements at this time.

Senator **Morse**. Sometimes good sources of information come from other embassies, and it is my understanding that some of the Latin American embassies are of the opinion that the Russians have made very clear to Castro that they are not going to support him in any desperate action that he might resort to against the United States, but that they will cooperate and continue to be of some assistance to him economically in order to establish a Communist economic beachhead in Cuba.

Has our military intelligence indicated there was something to that contention?

Mr. **Nitze**. I do not know. Can you answer that, General?

Senator **Smathers**. There was a very current story that went around shortly after—not current story, but apparently a supporting story that after Mikoyan[5] had been down there, that Mikoyan had very specifically said to Castro and Raul, when they were talking with him and Raul was talking about how they would like to bomb the United States sometime, and Mikoyan said, "This is just one area where we are not going to support you people, and you had better not try it. We think you will get the hell kicked out of you, and we cannot logistically give you any support."

Have you ever heard that, General?

General **Enemark**. I do not know of anything about that.

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[5] Soviet First Deputy Premier Anastas I. Mikoyan.

SINO-SOVIET COMPETITION

Senator **Morse**. Do we have any evidence that the Chinese Communists who are in Cuba are in strategic opposition to Russian Communists who are in Cuba as to what the Cuban policy should be?

Mr. **Nitze**. This one is hard to evaluate not only in Cuba but in other areas.

The degree of competition and opposition between the Russian fellows and the Chinese fellows or the degree to which this is a planned one-two punch on their side—it could be that these things are in support even though they overtly are in opposition.

Senator **Morse**. I was surprised from some statements made by Raymont yesterday or the statements Ray made today as to the number of Chinese who seem to have come into Cuba. Ray seemed to think that in many respects they were more active than the Russians.

Mr. **Nitze**. That is true not only in Cuba, but in other areas of Latin America, and also some other areas of the world in addition to that.

Senator **Morse**. I do not want to monopolize the questioning.

HOW QUICKLY COULD CUBA BE TAKEN?

Senator **Smathers**. May I ask you this question: You stated a moment ago the consideration of some theoretical plan of operation with respect to taking Cuba; has anybody determined how long it would take to take Cuba if the United States decided upon such a course?

Mr. **Nitze**. I think that is something that General Lemnitzer had better testify on rather than I.

Senator **Smathers**. You fellows are not very free with this information. This is current all around. I hear this kind of business that the Chiefs of Staff——

Senator **Symington**. It does not help the situation down here.

Senator **Smathers**. The Chiefs of Staff—it is already around that they have said it would take 10 days, and then it was said 2 weeks, and then they got into an argument about it, Burke and Lemnitzer. It is all over the place. You do not know anything about that, General?

General **Enemark**. No, sir; that is not in my bailiwick.

Senator **Smathers**. This is not in your bailiwick, and you do not know anything about it either, Mr. Secretary?

Mr. **Nitze**. What I said was that I think it would be better for General Lemnitzer to testify on it.

Senator **Smathers**. Well, he is not here. You want to bring him down, is that the idea, and let him answer?

Mr. **Nitze**. Yes.

Senator **Morse**. Senator Fulbright.

Senator **Fulbright**. I do not believe I have any questions.

Senator **Morse**. Senator Hickenlooper.

Senator **Hickenlooper**. No questions.

Senator **Morse**. Senator Stennis.

Senator **Stennis**. Thank you, Mr. Chairman. I am very much interested in listening.

Senator **Morse**. Senator Smith.

GUANTANAMO SHIELDED

Senator **Smith**. I have just one question about Guantanamo. Have they made a big effort to keep the Cubans clear of that so that there will be no——

Mr. **Nitze**. The Castro people?

Senator **Smith**. Are they bending over backwards?

Mr. **Nitze**. They are bending over backwards to see that there would not be an incident in Guantanamo.

INVASION OF DOMINICAN REPUBLIC DOUBTFUL

Senator **Smathers**. Have you any information as to Castro's capacity to move forces against the Dominican Republic?

Mr. **Nitze**. I do not believe he could, against our opposition.

Senator **Smathers**. I do not think he could either. I do not think he would attack the United States, but how about moving against the Dominican Republic by itself? I mean, do you have any information he is formulating any plans for any type of invasion similar to the one he undertook in June of 1959?

Mr. **Nitze**. I would doubt that he would do that.

Senator **Smathers**. It would meet with our opposition, would it not?

Mr. **Nitze**. It would meet with our opposition, and that is why I do not think he would try it.

Senator **Smathers**. But my question is, do you have any information that he has?

Mr. **Nitze**. I have no information.

Senator **Smathers**. You have none.

We made it clear that he would meet with our opposition if he tried.

Would our opposition be after they landed or prior to their landing, or would it be the idea to intercept them? How would you isolate them? There is a point there where it is only 70 miles away. Are we keeping our Navy in position of intercepting or would——

Mr. **Nitze**. I think our Navy is correctly positioned at the present time.

Senator **Smathers**. Yes.

Mr. **Nitze**. There would be surveillance of such an attempt, and they would be intercepted before they landed.

Senator **Smathers**. You feel we are on top of that situation?

Mr. **Nitze**. I believe we are on top of that threat in that situation. There may be internal problems within the Dominican Republic which causes a much more difficult thing.

Senator **Smathers**. Thank you.

UNCERTAINTIES SURROUNDING DOMINICAN SITUATION

Senator **Morse**. Can you discuss that? Is there anything you can discuss about that?

Mr. **Nitze**. There is nothing much that I know. I do not think the U.S. Government, as a whole, knows an awful lot about what is going on down there. It is hard to tell.

Senator FULBRIGHT. Do we have any number of people there, observers?

Mr. NITZE. I think we have observers, but how deep they get into the situation would be another question. I would be surprised if they got right down to the grassroots.

Senator FULBRIGHT. We do not have very good information at the moment?

Mr. NITZE. I think we have very little information, or we have fairly good information as to what is going on between Ramfis Trujillo, Jr., and the people around him, but whether there are other groups that we know nothing about who may be planning this or that or any other kind of activity——

Senator FULBRIGHT. Do you have any doubt about the ability of Ramfis; do you think he is going to be able to hold onto power?

Mr. NITZE. My understanding is that he is a thoroughly worthless character that is making the correct noises from his standpoint at the present time. Frankly, I was surprised at the fact that there was not more upheaval in the Dominican Republic after Trujillo's assassination than has developed.

Senator MORSE. I was, too.

Mr. NITZE. I imagine that after 30 years of living under that kind of a dictatorship, with that efficient secret police, people get used to laying low and not interfering in politics.

SITUATION IN HAITI

Senator MORSE. Can you give us any information about the situation in Haiti? Is it sufficiently stable so that we are not greatly concerned about the immediate overthrow?

Mr. NITZE. I am afraid I cannot. I just do not know.

COMMON PEOPLE WERE WELL OFF

Senator HICKENLOOPER. Mr. Chairman, I would just like to say something on the speculation with respect to the Dominican Republic.

We have all condemned Trujillo's dictatorial operations, we do not approve of that kind of government. I am no prophet, nor am I an expert, but I am not at all surprised that there is not any uprising in the Dominican Republic. So far as I know, the people in the Dominican Republic have had more schools, more roads—the common people—than any other country in the Caribbean or Latin America, and so far as I can find, the common people feel they are pretty well off.

Now, true, what we call the better class of people have been put upon. They have been thrown in jail, they have been subject of murder and destruction, and so on. I am not justifying any of this one way or the other, but here, when a dictator dies, and the common people have been getting along pretty well—he has had sense enough as a dictator, along with his tyranny against certain classes of people, to do a lot for the poor fellow, so I am not surprised that there has not been an uprising at all.

DOMINICAN ARMY WAS ALSO PLEASED

Mr. NITZE. I would have anticipated that someplace in the army or in the government, someplace there would have been deep resentment of the kind which would cause friction of people fighting one against the other.

Senator HICKENLOOPER. I think that is perfectly proper as an assumption, except I suppose in 30 years Trujillo was a pretty smart fellow and he has had the army pretty well pleased. He has given them a lot of perquisites and preferential position. Unless there was struggle for power between some people near the top who wanted to come to the front, maybe that was such an even-steven balance that nobody dared jump.

Mr. NITZE. That seems to have been the situation.

Senator HICKENLOOPER. Then among the masses of the people, what are they going to revolt against? Probably they are better off than most of the natives in most of the countries down there.

LATIN AMERICAN REACTIONS TO CUBA

Senator STENNIS. Mr. Chairman, may I raise one question?

Senator MORSE. You certainly may.

Senator STENNIS. Perhaps the Secretary covered this—I just walked in a few minutes ago—but you mentioned the situation in Cuba. Are you watching to see how well Castro can or will carry out those promises, and do you expect that to be a weakness of Castro and strength for us to move for a better position.

Now, what about the sentiment of the people, the leaders in other Latin American countries, the rank and file people, if that is a proper question? I imagine you are having a special survey on that now?

Mr. NITZE. Well, I should think one could say that——

Senator STENNIS. Post-invasion survey, I mean, and so forth, to get that consensus.

Mr. NITZE. Most of the leaders in governments outside of Cuba have felt that this was an increased threat to them. The Castro thing, I think, they felt—I think they were worried about it, and this has caused them to be against any collaboration with Castro.

I think they would like to cooperate with the United States. I think they are worried about what goes on at the grassroots in their countries; that they do not feel complete freedom of action themselves in their own countries to go as far with the United States as they would like to.

Senator STENNIS. Because of sentiment at the grassroots level for Castro?

Mr. NITZE. Because of danger at the grassroots level that some of those people at the grassroots level could be mobilized by their opposition to unseat them.

CASTRO'S INFLUENCE RAGING

Senator STENNIS. I was going to make a comment which might be of general interest. I talked to a man, Mr. Harold Milks, down in Biloxi, Mississippi, who is just back from Cuba. He was the AP man in Cuba in charge of all AP work. He made a statement in a speech that he believed if Castro were not wiped out and taken over down there, all of Latin America would be verging on communism within 3 years.

He is a very intelligent man, well-informed, and he is right out of the griddle of experience down there. He just had to grab his hat and leave his apartment; he left all his personal effects and jewelry and everything, he and his wife, and got out. I told him that I thought he ought to talk to some of you gentlemen when he comes through here next week.

Mr. NITZE. We would like to talk to him.

Senator STENNIS. Yes. He is very good. But that was his impression, the thing was raging and running fast.

Senator MORSE. I would like to talk to him.

Senator STENNIS. Yes.

Senator SYMINGTON. Mr. Chairman?

Senator MORSE. Senator Symington.

MILITARY PREPARATION WAS SHOCKING

Senator SYMINGTON. Thank you, Mr. Chairman. People in this room have forgotten more about Cuba than I will ever know, but you and I have discussed military matters for a great many years now. I must say, of course, when something goes wrong everybody knows the particular part of the problem. What I would hope would be that we would benefit by what has happened to a tremendous extent in any future operation.

As you know, the law says that the Joint Chiefs of Staff are not only the military advisers to the Secretary of Defense, but also to the President. I was distressed by some of the testimony before this committee.

I might add I have made no statement, and do not intend to, of any kind for publication. But a member of this committee, a member of the Senate, told me that he was at the meeting the 4th of April, and that it was his understanding that both the Chairman of the Joint Chiefs and the Chief of Naval Operations approved this plan. I asked if that was true, and the Chairman of the Joint Chiefs stated that they did not approve it; they said they thought it was feasible. Another Senator got the dictionary, and one of the meanings of "feasible," was "believe a plan can be carried out successfully."

Now, I only mention this because we do not want to get into any semantic square dance between the various departments and the Congress, and the military preparation for this situation was a shocking one to me, based on the limited knowledge that I have.

PLANES WERE INADEQUATE

It turns out that these people had 19 or 16 bombers. They were old A-26s, then called B-26s; 20-year-old airplanes. Apparently two jet trainers shot them all down or shot down 9 of the 16, and sank the ammunition ship, and the other ammunition ships for reasons best known to themselves turned back.

I asked if they did not know by this time that no piston bomber could operate in daylight against a jet fighter. The answer was that they expected that the raid on D minus two which went over Cuba was going to knock out the Cuban air force, but it actually did not go over for that. It went over to show the Cubans that there was defection in the Cuban air force. Nevertheless, on that raid they knocked down 70 percent, including two, as I remember, of the four T-33 trainers which they had.

So you have two jet trainers knocking out the program, you might say, from the standpoint of success, especially when you consider the ammunition.

DIFFERENCES IN FACT

In addition, Senator Church, questioning the witness, brought out some major differences between the Director of the Central Intelligence Agency, who was a most forthright witness, and the Chairman of the Joint Chiefs, as to what was going to happen if and when a successful landing was made. I am talking about the ground operation.

I have great respect, of course, for our military establishment and also for the CIA. But the idea that we could undertake this type and character of an operation—then, I believe the testimony was, that the Navy, air and sea, took them to within about 20 miles and then left, and I understand later on rescued some people—but the military operation is very hard for me to understand.

It violated all the basics that I understood we had learned before, or most of them, and inasmuch as we have to do this again, I would hope that there was clear-cut understanding. In this case, Members of the Congress who were allowed to participate in the April 4th meeting felt there was an understanding, and agreement, between the military and the CIA. Of course, I do not carry any banner for either over the other, but I do think it is a most unfortunate thing from the President's position if it is not clearly understood as to what are the plans, who approved them, and how they intend to carry them out.

In any place we operate the way we operated this time, based on the testimony before this committee, we have no chance whatever of winning if they have any support at all. Obviously they are getting more and more Communist equipment.

UNWILLINGNESS TO BE COUNTED

I just wanted to tell you in an off-the-record executive hearing that if you read the testimony, which I would hope that you would do, because of your knowledge in both the State Department and the Defense Department, you will be very distressed at some of the things that have been brought out.

Senator Morse. You are welcome to read the testimony, Mr. Nitze.

Senator Symington. It showed two things: One was confusion and misunderstanding and disagreement, but the part that worried me the most was that it showed some people, in my opinion—and I say this with great sincerity—did not want to step up and be counted, like the President so nobly did. As soon as the operation was a failure, he said, "don't look further for any scapegoats."

I was quite disappointed in that testimony, and I believe you will be too, when you read it. I just wanted to tell it to you in all frankness.

CONTINGENCY PLANS

Senator **Smathers**. May I ask this one question: You indicated a moment ago that there were plans, theoretical plans, for Cuba in the event that decision were made. Do you have similar plans with respect to the Dominican Republic?

ARMED T-33'S NOT ANTICIPATED

Mr. **Nitze**. Yes. I might comment on your statement Senator Symington. I think the one important point was that no one had anticipated that these T-33 trainers had any offensive armament on them.

Senator **Symington**. That was mentioned, but it is hard to believe. It would be so easy to do it. I spent years of my life building airplane armament, and it would be—it is no problem.

Mr. **Nitze**. I think this was a clear-cut situation where the estimate did not correspond with the facts.

SUCCESSIVE AIR RAIDS

Senator **Fulbright**. May I ask one question before we leave that point? What is the explanation of why the successive raids did not take place? I have never heard it. I believe we asked at that hearing. There was supposed to be another raid or two before the landings and it did not take place.

Senator **Morse**. Air raids.

Senator **Fulbright**. We asked, I think it was Lemnitzer, and he could not explain why they had been countermanded. Is there any explanation?

Mr. **Nitze**. I just do not know.

Senator **Fulbright**. You do not know. He said he did not know. It left it up in the air. There was no explanation.

FIGHTER PROTECTION

Senator **Symington**. One more question. When we asked the CIA why they did not have fighter protection for piston bombers in this jet age, the answer was, "Well, we couldn't fly the fighters from Guatemala."

Senator **Morse**. Mr Nitze, I am going to have to close the hearing. I wanted to give you an opportunity, before we closed the record. If there is anything you wish to add by way of memorandum, I would be glad to accept it.

Mr. **Nitze**. Thank you very much.

[Whereupon, at 6:45 p.m., the committee adjourned.]

MINUTES

FRIDAY, JUNE 9, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 2:40 p.m., in room F-39, the Capitol.

Present: Chairman Fulbright, and Senators Humphrey, Mansfield, Symington, Wiley, Hickenlooper, and Carlson.

Testifying on the bill (S. 1983) Relating to Foreign Aid were Wymberley DeR. Coerr, Acting Assistant Secretary of State for Inter-American Affairs, Henry R. Labouisse, and Frank M. Coffin.

For record of the proceedings, see the official transcript.

[At the conclusion of their testimony, the committee adjourned at 4:15 p.m.]

INTERNATIONAL DEVELOPMENT AND SECURITY

MONDAY, JUNE 12, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to adjournment, at 10:10 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, Senators Sparkman, Mansfield, Long, Gore, Hickenlooper, Aiken, Capehart, Carlson, and Williams.

Also present: Henry R. Labouisse, Chairman, President's Task Force on Foreign Economic Assistance; Frank M. Coffin, Chairman, Group on Program Development, President's Task Force on Foreign Economic Assistance; Howard R. Cottam, Deputy Assistant Secretary for Economic Affairs, Near Eastern Affairs; James Cortada, Office of Regional Affairs; and Carter Ide, Deputy Regional Director for Near East and South Asia in ICA.

Mr. Marcy, Mr. Holt, Mr. Denney, Mr. Henderson, and Mr. Newhouse, of the committee staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF HON. PHILLIPS TALBOT, ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS

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SITUATION IN IRAN [P. 498]

Senator CARLSON. With reference to this Arabian discussion, I was interested in your earlier statement that despite this pressure on the part of the Soviet Union, Iran is still one of our friendly countries.

Mr. TALBOT. Yes, sir.

Senator CARLSON. However, I have here an article that appeared in the Washington Post under date of June 6. It is from Teheran and says:

A top government official said today Iran must have $40 million in United States aid "within one week" if economic disaster and collapse of the government of Premier Ali Emani can be averted.

How can you justify that in view of our friendly relations with them? What is the situation there?

Mr. TALBOT. Mr. Chairman, may I start by saying that that report was officially denied.

Senator CARLSON. I see.

Mr. TALBOT. However, it does not disguise the fact that there is a serious situation in Iran at the present time. Iran has gone nearly through a decade of, in some ways, explosive but, at the same time, chaotic disorganized growth. It reached a stage last year in which inflation, in which the siphoning off of funds for private account, and so on, had gotten Iran into a very bad situation, and a stabilization program was established last fall in an attempt to—by the government—relieve the situation.

This did not effectively stop the situation, and some weeks ago a new chain of events started with a widespread strike by school teachers demanding more money. This came on the heels of a statement by Prime Minister Khrushchev to Walter Lippmann which was widely publicized, and which had the effect in Iran apparently of stirring anxieties and expectations, all sorts of emotions.

The net result was the dismissal of the government of the day and action by the Shah who has been in almost sole control since the end of the Mossadegh, 1953–54, to put into office a man with whom he has not been close, a man whom he respects, and I would say possibly fears more than loves, a man who looked to him and, I may say to our people, as the one person on the public scene who might have a chance of facing what I would regard as Iran's fundamental problems.

There are in Iran several forces, of course, the Shah with all of the people around him; Mossadeghists who have kept their political power since the fall of Mossadegh in 1953, and have accumulated support from the urban middle-class people, perhaps some military types, and all.

FUNDAMENTAL PROBLEMS CONFRONTING EMANI GOVERNMENT

Prime Minister [Ja-Far Sharif] Emani's task was to take the strengths that do exist in Iran's public structure and government and try to increase and broaden those strengths by meeting some of the fundamental problems of the country, and through meeting those problems generate support from a wider portion of the public.

He announced a program when he came into office which came very close indeed to the kind of program we would like to see Iran pursue. It has a strong reformist element.

He indicated in his first days and weeks in office that he had the capacity to move on the initial stages of that program.

A good many people have been arrested for corruption, including people in high places.

A start has been made toward land reform. One landowner was reported to have been convinced that he should give up his lands which totaled the extent of Switzerland, I believe, was the statement. This has just begun.

It would seem to us now that the support of Prime Minister Emani's program is in the best interests of the United States.

If against, I may say, very heavy odds, if he is able to succeed, then I hope we can look toward a stronger, more broadly based government in Iran, which would attract the support of at least some elements that are now in the opposition.

If he does not succeed, then one would anticipate either some sort of a military government, I suppose, or rather fundamental social, economic and political revolution, with the Mossadeghists probably coming in and probably having the capacity to disrupt but not yet presumably having the capacity to govern effectively.

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IRAN'S SECOND DEVELOPMENT PROGRAM [P. 500]

We are proposing in addition to development lending that we should give development grants of $3.8 million. These are for technical cooperation projects that are on-going to which we are already committed.

In addition, we propose to give supporting assistance, $15 million. This, too, is a grant.

This takes into account the facts that Iran has a substantial military force to which we are related, both bilaterally and through the CENTO organization, and there are proposals for Food for Peace shipments, of about $8 million.

Senator **Carlson**. Does this $15 million supporting assistance include the military?

Mr. **Talbot**. No, sir. It does not include the direct military proposal. The direct military proposals, as I understand it, are $60.1 million. It is budgetary support which, of course, will permit larger military expenditures than Iran can afford from her own budget.

Senator **Carlson**. That is all, Mr. Chairman.

THE PROPOSED MILITARY PROGRAM IN IRAN

The **Chairman**. I would just like to comment. I do not approve of that. I think this is one of the worst things you can do for Iran—this distortion of their military establishment.

You did it in Turkey. You created inflation, and you destroyed their government. You helped destroy others. I do not approve of this.

How much of this $60 million is going to be for military construction? Are you the one who can testify about it?

Mr. **Talbot**. There are construction elements in the past military budgets up along the northern frontier area such as barracks, workshops and other installations for Iranian army units.

The **Chairman**. Are you going to try to build a Maginot Line all along the southern border of Russia?

Mr. **Talbot**. I think the difference, as I understand it, in Iran between the situation 3 or 4 years ago and the situation today on this particular point, sir, is that whereas the Army then was stationed basically around major cities, Teheran, Shiraz, and so on, now a substantial part, whether it is two-thirds or three-quarters, I am not sure, sir, I am sorry, are stationed in Azerbaijan and other northern areas of Iran, between the major cities and the direction of——

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U.S. COMMITMENTS TO IRAN [P. 501]

Mr. TALBOT. It is a reduction of the program that was originally contemplated for this period.

The CHAIRMAN. By whom? Contemplated by whom?

Mr. TALBOT. By the United States Government in 1958 or 1959, and at that time transmitted to the Government of Iran.

The CHAIRMAN. Did the military or the State Department do that?

Mr. TALBOT. I am sorry, sir, I was not here.

The CHAIRMAN. I was there when Secretary Dillon, who at that time was with the State Department, and I heard the discussion, and the Shah was scared to death by what happened in Iraq. We could all see it, and he wanted a bigger palace guard to protect himself from his own people rather than Russia. We had a long discussion about it.

Do you mean to tell me that you are not going to carry out this commitment, is that the fact?

Mr. TALBOT. We are not carrying them out to the extent that they were then—it was then proposed. We are, however, maintaining the present level.

The CHAIRMAN. I am not going to vote for this part of it, I want to make the record clear. But I want to hear the best justification you can give for it. Aside from that agreement, there was certainly no formal agreement. Was there a treaty signed to give them this money?

Mr. TALBOT. There was no treaty signed; no, sir.

The CHAIRMAN. What was the nature of the agreement?

Mr. TALBOT. There was, as I understand it, a letter from the President of the United States to the head of the Government of Iran.

The CHAIRMAN. Do you have a copy of that letter?

Mr. TALBOT. No, sir; I do not.

The CHAIRMAN. Is it available? Can you supply it to the committee?

Mr. TALBOT. May I ask Mr. Labouisse whether he knows whether it is available?

Mr. LABOUISSE. I do not, Mr. Chairman. You are speaking of the military aid?

The CHAIRMAN. Yes.

Mr. LABOUISSE. Not economic aid.

PROPOSED MILITARY AND ECONOMIC AID TO IRAN [P. 502]

The CHAIRMAN. You are going to give Iran $3.8 million development grants and $15 million supporting assistance which, I assume, used to be called defense support.

Do you feel you have to do that in order to keep from bankrupting the country by allowing this military establishment $60 million in military assistance. Just think of that large difference between $60 million in military assistance and $3.8 for economic development.

Mr. TALBOT. In addition to development grants, $3.8 million, there will be development lending depending upon project approval.

The CHAIRMAN. Development grants of $3.8 million?

Mr. TALBOT. Yes, sir.

The CHAIRMAN. The lending is dependent upon further negotiation, but there is $60 million military assistance which is a grant, is it not, of dollars, not food; it is a grant of dollars, is it not?

Mr. TALBOT. It is equipment——

The CHAIRMAN. Military?

Mr. TALBOT. It is equipment and supplies; this sort of thing.

The CHAIRMAN. The military aid program is charged with $60 million, is it not?

Mr. TALBOT. Yes, sir.

The CHAIRMAN. I do not approve of it. I want you to make as good a defense as you can. You have a letter that you are commited to do this? Can you make it available to the committee?

ADVISABILITY OF CUTS IN MILITARY PROGRAM

Mr. TALBOT. May I ask, sir, if when we appear later to discuss the military budget we may pursue this question further?

The CHAIRMAN. Yes. We will, of course, do it then. But you are saying you approve of it. You are speaking for the State Department. I want you to justify why you approve of it. Is it only because there was a letter that committed it, and you really would not have made it, or what is your situation? What is your attitude toward it?

Mr. TALBOT. Well, sir, this amount of money will, according to the Government of Iran, cause it to cut its forces to some extent. This seems to us a move in the right direction.

At the same time, we did not feel justified in making a deep cut and change in the Iranian Army, the military forces, at this time.

The CHAIRMAN. What did we give them last year in military assistance?

Mr. TALBOT. I think I may have that figure, sir, $72 million, sir.

The CHAIRMAN. So you are reducing it from $72 million to $60 million?

Mr. TALBOT. Yes, sir.

The CHAIRMAN. That is really the only justification you can give. It was not really as big as it was last year.

Senator CARLSON. It is in the right direction.

Mr. TALBOT. It is the right direction.

The CHAIRMAN. It was the right direction. But if it were $30 million it would be even more in the right direction. It would be twice as far, would it not?

Mr. TALBOT. It would be twice as far.

The CHAIRMAN. Would you disapprove of it going further in the right direction?

Mr. TALBOT. Well, sir, it seems to me military forces in being can be cut gradually without destruction. A sudden drop, a good deal of this, for example, is for on-going expendable equipment.

The CHAIRMAN. Are there any jet planes in this program?

Mr. TALBOT. No, sir; not in the Iran program.

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POSSIBILITY OF NEW ECONOMIC AGREEMENT BETWEEN U.S. AND IRAN [P. 504]

Mr. TALBOT. I anticipate, sir, we will be working very closely with the Government of Iran, particularly the planning organization in an effort to do what we can to be sure that its plans are strong and firm and moving in solid directions.

Senator AIKEN. Don't we give Iran $72 million and $60 million economic and military assistance so they won't up the percentage that they collect from the oil companies?

Mr. TALBOT. No, sir. I was not aware that that was the reason.

Senator AIKEN. Wouldn't it be logical? Wouldn't Iran be just as well off if she went on a 75–25 percent basis and got $143 million more, as she is by our giving them $60 million?

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ARAB REFUGEE PROBLEM [P. 510]

Senator SPARKMAN. I was particularly interested in what you were saying and what you have in your paper with respect to the situation as between Israel and the Arab States.

I gather from what you say you think things are more or less at a standstill now, with some hope of improving them?

Mr. TALBOT. Well, sir, I would say that they have been fairly quiet. I would not say that the fundamental problems have been resolved.

It would seem to me that over the next several months we can expect renewed tension and rather considerable difficulties as the discussion in the United Nations 16th General Assembly over the question of the future of Arab refugees.

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JORDAN RIVER VALLEY DEVELOPMENT [P. 511]

Senator SPARKMAN. The improvement of both the east and west side would involve an agreement between Israel and Jordan, would it not?

Mr. LABOUISSE. And the UAR and Lebanon.

Senator SPARKMAN. Oh, yes, and that is certainly not immediate, is it?

Mr. LABOUISSE. Well, the engineering, we think, made a considerable lot of sense, but it is really a political issue, whether the Arab States are going to consent on the movement of some of the water from Jordan up over the divide to go down to the Negev, and this was the stumbling block.

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LAST YEAR'S ELECTIONS IN IRAN [P. 513]

The **CHAIRMAN**. Senator Long.

Senator **LONG**. Just looking over these justification sheets on Iran—I notice this statement: "The Shah relies for support on the military forces, the large landowners and the old line leaders of commerce and of finance. Many of the Shah's policies are unpopular with the intellectuals and with much of the growing middle class," and so forth.

What is a "pre-determined election?"

Mr. **TALBOT**. Well, sir, the elections that were held last year in Iran were very widely criticized as having been rigged to a substantial degree.

Senator **LONG**. Was it Soviet style where you vote yes or no for a single slate of candidates, or was it simply an election where everybody had the right to run, but the Shah controlled all the ballot boxes?

Mr. **TALBOT**. It was the second type of complaint that was made, that various people in various provinces did have control of the ballot boxes.

Senator **LONG**. So that, in effect, it is kind of like the situation we have experienced in some States in the history of this country where the votes do not mean anything if you do not have commissioners.

Mr. **TALBOT**. Perhaps so.

Senator **LONG**. But this sounds to me very much as though the government there, just based on the official description in this justification, is one that is subject to being thrown out by revolution, and I sometimes wonder whether we should not be in the revolutionary business ourselves rather than trying to prop up governments of this sort.

TALBOT. May I comment on that, sir?

Senator **LONG**. Yes.

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EFFECTIVE USE OF IRANIAN RESOURCES [P. 515]

Senator **LONG**. Isn't the real problem in Iran the effective use of these large amounts of income that the people there have already, a lot of which, by the way, is being grabbed by the sale of oil to the United States and allied countries, rather than building up a large army in that country? After all, isn't our commitment to help Iran far more important then putting military forces into that country?

Mr. **TALBOT**. As you say, sir, the country is in a very exposed position, with the Russians having come in three times in this century. The armed forces have been built up there as part of the complex that has been built up in the eastern wing of NATO and the CENTO countries.

The defense of Iran against the Soviet Union clearly must be a combination of whatever immediate ground defense they may be able to provide with their forces and the support that we can give them.

I do not think anyone would argue that Irani troops could stand against a major Soviet offensive coming down without outside help.

At the same time, I believe our military friends would talk about the capacity of the present forces as being a significant deterrent.

U.S. CONTRIBUTION TO IRANIAN ECONOMIC STABILITY

Senator LONG. Isn't the real problem a matter of their wisely using what they have rather than our trying to build up an army and coming in with aid and gifts and grants on top of what they are getting already? Compared to their net revenue of $286 million in oil, what do our grants and loans for economic purposes amount to, relatively speaking? About $15 million of defense support and about $3.5 million of——

Mr. TALBOT. Of development grant, yes, sir; and of about $8 million for Food for Peace, and then beyond that development lending, which will be dependent upon project proposals and acceptance.

Senator LONG. How much do you estimate that development lending might amount to?

Mr. TALBOT. I wonder if either Mr. Labouisse or Mr. Coffin could respond to that, sir.

Mr. COFFIN. I think it could come in this coming year to $15 or $25 million, depending upon projects being proved feasible, and depending also on the third 5-year plan which is being worked on and to be completed in this calendar year.

As the Secretary has indicated earlier, we look upon this Prime Minister as being a good hope for the West.

He is a tough-minded fellow who has the respect, although not the effection, of the Shah. He has already started out on a series of sound fiscal and other reform measures. That took place after this paper was written. This paper was finally approved for the printer on May 3, and the development of the Prime Minister coming in has injected a new factor, and a factor which is a good factor, in our opinion, if we can move in with the kind of aid that he will need to enable his rather unpopular reforms to be feasible.

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QUESTION OF JORDANIAN VIABILITY [P. 520]

Senator GORE. Mr. Secretary, when did the Department of State last consider the dissolution of Jordan and its sovereignty?

Senator TALBOT. Well, sir, I do not know that the Department of State has considered the dissolution of Jordan as a sovereign nation.

Senator GORE. I do not mean since you have been Assistant Secretary. Are you familiar with the history of the actions of the Department of State with respect to the area of your jurisdiction?

Mr. TALBOT. To some extent, sir.

Senator GORE. Do you not know or do you know whether the Department of State within the past few years has considered the advisability or possibility of the dissolution of this sovereignty?

Mr. TALBOT. Well, sir, I would assume that at any time we might, and would, consider whether a particular country was viable, whether it might break up, whether some change in the current situation could possibly occur. I am not aware of any specific consideration of the advisability of the break-up of any particular country.

I will look into the question and get any answer I can for you; yes, sir.

Senator GORE. When is there a prospect that Jordan will be a viable state, if ever?

Mr. TALBOT. So far as I can judge, sir, the viability of Jordan would depend either on the discovery of oil or on the full exploitation of water resources.

Senator GORE. Is there no prospect of this little country ever becoming self-supporting? Would its dissolution, in your opinion, be properly a subject of consideration of the Department of State, and the consequences, both adverse and favorable resulting there from?

Mr. TALBOT. May I speak to that, the question of the possible consequences, adverse and favorable, of its dissolution, as I would see them, at the present moment?

Senator GORE. Well, I know they are both adverse and favorable. I mean, my real question was whether if there were no prospects that Jordan could become a viable state, whether its dissolution would be properly a matter for consideration, including both the favorable and adverse consequences.

Mr. TALBOT. Yes, sir. I think that it would certainly be a question which should be examined.

PALESTINE REFUGEES

Senator GORE. Do you know, Mr. Secretary, whether the Department of State did or did not undertake to follow up on the conversation which Senator McGee and I had with Prime Minister Ben-Gurion and President Nasser [1] on the possibility of negotiations between their two governments some 2 years ago with respect to the Palestine refugees?

Mr. TALBOT. I do know, sir, that the Department of State has been actively concerning itself with this problem and is at the present moment concerned with the problem of the refugees and what can be done.

As you know, sir, the Palestine Conciliation Commission is now under instructions from the United Nations General Assembly to report by October 15 with respect to the refugees, and the United States is a member of the Palestine Conciliation Commission.

In support of this we are trying this summer to take a fair role in developing an effort by the Palestine Conciliation Commission to find new ways or useful ways to proceed on the refugee question.

Senator GORE. I take it by your answer, then, that you do not know whether the Department did or did not undertake to follow up on these particular conversations?

Mr. TALBOT. I am very sorry, sir, I do not know anything about those particular conversations.

RECERTIFICATION OF REFUGEES

Senator GORE. Over the weekend I saw a news story which purported that President Kennedy had suggested that Israel accept 25 percent of the refugees, and that Prime Minister Ben-Gurion had agreed to it. Did you see that?

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[1] Israeli Prime Minister David Ben-Gurion and Egyptian President Gamal Abdel Nasser.

Mr. TALBOT. Yes, sir; I did.

Senator GORE. Can you authenticate that information?

Mr. TALBOT. To the contrary, sir, I believe that the only conversation between President Kennedy and Prime Minister Ben-Gurion was in my presence, and I heard no such statement.

Senator GORE. Has the Prime Minister, to your knowledge, at any time agreed to accept a given percentage or any particular number of the refugees?

Mr. TALBOT. No, sir.

Senator GORE. You would say then, I take it, that the news story was incorrect?

Mr. TALBOT. Yes, sir.

Senator GORE. This committee adopted an amendment, and the Senate adopted an amendment, which would deny aid to the refugees whose entitlements had not been recently certified.

The House, upon the insistence of the Department of State, struck the provision, and it was lost in conference.

Does the Department of State take the same position as it took last year on that question?

Mr. TALBOT. So far as compulsory recertification as a condition of using United States funds to give rations to these refugees; yes, sir.

Senator GORE. Why do you use the word "compulsory"?

Mr. TALBOT. Well, sir, if I may discuss the context a little bit, I am sure you, sir, are aware——

Senator GORE. You used the word "compulsory." If a claimant for a gratuity from his government presents himself to the District of Columbia, he must meet certain qualifications; he must have his needs certified. Would you describe that as compulsory?

Mr. TALBOT. He, as you say, must have his needs certified; yes, sir.

Senator GORE. Are you opposed to this?

Mr. TALBOT. No, sir.

Senator GORE. In Jordan?

Mr. TALBOT. As a matter of principle for future operation, I am not opposed; no, sir.

In terms of the realities of the practice, the progress that has been made during this past year in rectification of relief rolls, has, I think, been heartening, given the political circumstances of the refugee situation.

Several thousands of names have been struck from the rolls; no new persons' names are added to the rolls now except when another name has been struck from it.

There is no reflection in the ration rolls of the growth of population among the refugees, and the acceptance by the Jordan Government of the principle of rectifying the rolls has begun to be implemented.

Senator GORE. Have they accepted it?

Mr. TALBOT. Pardon?

Senator GORE. Has the government accepted it?

Mr. TALBOT. The Government of Jordan?

Senator GORE. Yes.

Mr. **Talbot**. In principle, yes, sir; and it has begun to be implemented.

Senator **Gore**. I am not speaking in principle. This acceptance of principle, we have had our experience with acceptance of agreements in principle. They generally amount to nothing.

Has the Government of Jordan agreed and accepted publicly that no refugee will receive relief unless his entitlement is certified?

Mr. **Talbot**. The Government of Jordan has given its active cooperation to UNRWA[2] in the effort to rectify the relief rolls. It has issued a public statement endorsing the UNRWA rectification program; yes, sir. It has retrieved some thousands of ration cards. Let me see if I can find it, it has deleted 4,000 names from the ration lists in Jordan.

Senator **Gore**. How many of those were of the dead?

Mr. **Talbot**. I am sorry, sir, I cannot answer that. My assumption has been that those were very largely of the dead. I will be glad to get that information for you and insert it in the record, if you wish that to be done.

RELIEF CARDS PRESENTLY IN CIRCULATION

Senator **Gore**. Approximately 150,000 relief cards are in circulation, or is it about how many? I am very low on that, I know now, from memory. I think I recall now from what source I obtained the figure of 150,000. When I was in Jordan, an UNRWA official, as I recall it, estimated to me that there were 150,000 fraudulent relief cards in circulation.

You say that 4,000 have been retrieved. You understand what I mean when I describe them as being in circulation, do you not?

Mr. **Talbot**. Yes, sir.

Senator **Gore**. They are better than Jordanian currency, and are negotiable instruments by local customs; is that correct?

Mr. **Talbot**. Yes, sir.

Mr. **Labouisse**. May I comment just for a moment. I had to live with this thing for a long time.

Senator **Gore**. I know you did, and you are acquainted with it. It is a stench. I know how difficult it is, Mr. Labouisse. I know something about how difficult it is, and the explosive political quality of it. But I think it is untenable for the United States Government to continue to support a system which is, it acknowledges, grossly corrupt.

Now, I yield.

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RELIEF CARDS PRESENTLY IN CIRCULATION [P. 523]

Senator **Gore**. Well, let me tell you I was riding a car with one of our high officials there, and his wife, and we were talking about this subject, and upon alighting from the car, I asked this official if he would inquire of his Jordanian chauffeur if he had a ration card. He denied it vigorously. He protested vigorously that he did not have a ration card.

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[2] United Nations Relief and Works Agency for Palestine Refugees.

Whether he became conscience-stricken or frightened about his job, I do not know, but upon returning his employers to their home, as I was informed the next day, he called the lady of the house into the kitchen and confided to her that he did have a ration card and had had one for 10 years, and he had sold it to someone, or rented it, rather, to someone who needed the rations, and I was told by UNRWA officials that this was very widespread, that they rented them like renting a house, by the month, by the week, by the year.

I made this statement before, I know that Mr. Davis, the gentleman representing UNRWA there has been trying diligently to bring about some correction. I applauded his efforts.

Both of you make whatever statements you like, and I will ask no further questions.

Mr. **Labouisse.** I merely want to say that when I went there in 1954, one of the first things I did was to talk to the then Prime Minister, Abu Huda, and told him that we must correct the situation.

Senator **Gore.** They told me that.

PROPOSAL TO JORDANIAN GOVERNMENT

Mr. **Labouisse.** I prepared a proposal for the government to work this out on a satisfactory basis. I should say, parenthetically, that when they refused to give us—the government refused to give us—the names of those people who had died, the only way we could protect the total amount of funds that we had to spend was to say, "We will not register any new-born children of refugee families."

Senator **Gore.** I think that is a horrible thing to equate a fraudulent holder of a card with a baby that needs food.

Mr. **Labouisse.** Let me proceed.

Senator **Gore.** All right.

Mr. **Labouisse.** The proposal we had made to the government was to stop this—to regularize the rolls, to make sure that people entitled to rations should get them and those not entitled to them should not get them.

I reported this each year publicly to the General Assembly, it is on the record, just what has been done.

The Government of Jordan is concerned with the refugees. Of the total poplulation of less than 1½ million, about 500,000 are refugees. I would say about 400,000 more citizens of Jordan are Palestinians. These are not refugees, but live on the west bank of the Jordan River in what is now called the Kingdom of Jordan; they were not dislodged from Israel. So almost two-thirds of the population of the Kingdom of Jordan is Palestinian, as distinguished from the population of Trans-Jordan.

The government has been constantly sitting on a volcano. They are fearful of riots and disturbances. The government would not take the measures they should have taken. We have gone into this thing ad nauseum on that.

The Government of Jordan said, "Would you talk to the refugees en masse?" I talked to all the leaders in the camps. An arrangement was made for a meeting with one delegate elected for each 10,000 in Jordan. I met with them in the Victoria Hospital in Jerusalem. I proposed a plan. There was a near riot when this thing started, because the people who were benefitting by the irregularities——

Senator **Gore**. Wanted the riot.

Mr. **Labouisse**. Wanted to cause trouble.

Senator **Gore**. Some of those, if I may interrupt, some of those who promoted the riots, according to my information, had many of these cards which they rented out. It is a very profitable business. But it was in their interest to promote riots.

Mr. **Labouisse**. This is true.

The proposal I made to all of the refugees in Jordan, through their elected leaders to the leaders and Mukhtars, was that we had just so much money to go around—that we wanted to eliminate the ineligibles and place all the deserving ones on the rolls

COST PER YEAR OF HELP FOR REFUGEES

As you know, it cost about $27 per person a year to feed, give medical attention, and housing to the refugees—$27 a person a year for the total works, for everything except education. We could not increase the rolls.

It was made very clear that if there were any child in Jordan who was going to suffer because he did not have a card and did not get rations, the responsibility lay very firmly with the refugees themselves and on the government. This was very clear throughout the Kingdom.

Nevertheless, we could never get the government to move on this. So we were faced with the situation—do we cut off all rations in Jordan until the cards are rectified—the records are rectified? Or do we try to work this thing out through a gradual process.

In my own opinion, if we had tried to have a census, a new census in Jordan, the King of Jordan would not be on his throne today.

Senator **Gore**. You think that would be a great calamity?

Mr. **Labouisse**. This is a political judgment. And in my personal opinion, it would be a calamity if Jordan did not have the King today. I do not think this will last forever. I think if Hussein is not in charge of Jordan, that the vacuum will be filled by Israel moving to the Jordan River on her side, the Egyptians and the Syrians trying to move in, and also an Iraqi movement. I think the fat would really be in the fire under these circumstances.

I believe what we are trying to do in Jordan is to keep the lid on until you can have some sensible political solution.

Senator **Gore**. Mr. Chairman, I have over-used my time.

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[At 1:10 p.m. the committee recessed.]

INTERNATIONAL DEVELOPMENT AND SECURITY

TUESDAY, JUNE 13, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to adjournment, at 10:35 a.m., in Room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Sparkman, Symington, Wiley, Carlson, and Williams.

Also Present: Henry R. Labouisse, Chairman, President's Task Force on Foreign Economic Assistance; Frank M. Coffin, Chairman, Group on Program Development, President's Task Force on Foreign Economic Assistance; and Avery F. Peterson, Deputy Assistant Secretary of State for Far Eastern Economic Affairs.

Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse, of the committee staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF HON. WALTER P. McCONAUGHY, ASSISTANT SECRETARY OF STATE FOR FAR EASTERN AFFAIRS

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BASIS FOR JUSTIFYING KOREAN PROGRAM [P. 561]

The Chairman. You asked the American people to continue this program. You mentioned two places, particularly, Taiwan, where we put $3,894 million into it, and Korea, $4,486 million, according to this book. That is $8,380 million.

You think this is good business, and we should continue this program on the same basis?

Mr. McConaughy. I think we should try to reduce the amount that it costs us, and we are working in that direction.

The Chairman. I doubt that.

In Korea the military aid last year was $263 million requested. This year you are asking for $274 million; you are increasing it.

Mr. **McConaughy**. On supporting assistance. There is a modest decrease for this next year.

The **Chairman**. That is military aid. That is Korea.

Mr. **McConaughy**. Yes.

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POLITICAL SITUATION IN KOREA [P. 566]

Senator **Sparkman**. I think we are caught in Korea. We are probably forced to recognize this junta sooner or later unless something happens to it and it collapses, and I see no signs of that.

Mr. **Labouisse**. In that connection, the other day I was mentioning open and, therefore, did not talk about the name of the country, but Korea is case in which we have decided to hold back on some aid in view of recent developments.

There is about $28 to $30 million which, last October in negotiations, Mr. Dillon, then with the State Department and the Korean Government, agreed to put up if they did certain things.

They looked as if they were going to take the measures in an economic and financial field which would justify our making the payments. More recently there is some question as to whether they are going to stick to the reforms which they thought were necessary. We have, therefore, decided to hold up temporarily on these points.

Now, I want to make this point, that this raises the question of no-year funds, too, because if Ambassador Berger goes out to Korea next week and has to decide between then and the end of June whether or not to make this commitment, he may have to act too quickly. If, on the other hand, he has the opportunity to play along with these funds for 1 or 2 months, there is a chance he may be able to achieve the objectives we wanted. But as of the present moment those funds, those particular funds, have not been expended.

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BASIS FOR DETERMINATION OF NEEDS OF COUNTRIES [P. 567]

Mr. **Coffin**. Senator, if you are interested in how the economic part of the program, as it relates to Korea, was made up—briefly, as Mr. Labouisse said, we had the opinion and advice from the field. Not only did we have their projections from last fall, which is a routine part of their duty, but early this spring the President's Task Force on Foreign Aid sent out guideline instructions covering the assumptions for programing for this year, and one of the assumptions was that, wherever possible, we would reduce supporting assistance to the extent that we could.

In Korea we reduced it by over one-third. Instead of having $190 million programed, as we did for fiscal 1961, we cut that to $120 million.

We are carrying on to the extent of $6,500,000 the technical cooperation type activities that we have been carrying on in the past, pending a review as to whether they are the best activities, whether they are cohesive enough or whether they are too scattered.

The balance of the aid for Korea we did not program, but we said that this would be in the nature of long term loans.

Now, how did we do it? There is no single diagnostician, but as we made up our preliminary advice, our preliminary report, we called in people from ICA and from State to go over the assumptions on which we were working. In all of these hearings, we would have representation from the political bureaus, and we would see whether or not this cut in supporting assistance was more than we could stand, and we finally came to the agreement that this was a reduction we could make without jeopardizing our own interest.

TOTAL PROGRAM FOR KOREA

Senator WILEY. What is the total?

Mr. COFFIN. The total for Korea that we have programed is $126.5 million for this next year, added to which we would have loans, if criteria are met, and if we feel that self-help measures are being seriously undertaken; and there will be some——

Senator WILEY. That does not include the military?

Mr COFFIN. I cannot speak on the military, I was not in on the program.

Senator WILEY. We should have something on that.

The CHAIRMAN. It is $401 million programed, exclusive of loans, which will probably be another $100 million.

Mr. COFFIN. We also have a Food for Peace contemplated in Korea, as in the past.

Senator WILLIAMS. How much would that add?

Mr. COFFIN. For fiscal year 1962 $71 million is contemplated.

Senator WILLIAMS. That would bring it up to about——

The CHAIRMAN. Food for Peace?

Mr. COFFIN. Food for Peace.

Senator CARLSON. Are they going to send some Peace Corps people there?

Mr McCONAUGHY. That is uncertain at the moment. There is no agreement yet with the Korean Government.

Senator WILEY. Let us go back to my humble figure of speech, the diagnostician. He is supposed to be a fellow who understands, not just one who dreams, someone who can look at the animal and see what is ailing it, and then he has to look back and see what his resources are, and to see whether he has got enough to handle that kind of situation. I am talking about the diagnostician.

Here is almost a half billion dollars here, your figure into this, 21 million people.

The CHAIRMAN. About that, approximately that.

Senator Wiley. Yes, half a billion dollars.

Are we thinking in terms of the preservation of America or are we thinking in terms of aiding the needy? Take, for instance, spending that amount of money for the military . You are dealing with people who are used to working for very small sums.

How many troops do we have over there now, about 10,000?

Mr. McCONAUGHY. About 50,000.

Senator WILEY. Of Americans?

Mr. McCONAUGHY. Including our own troops.

Senator WILEY. Americans?

Mr. McCONAUGHY. Yes.

Senator **Wiley**. I can see why we can spend the amount of money for military if we have 50,000 American forces there now.

The **Chairman**. That is about what is involved. That cost is a part of our defense. That is not included in the military aid here.

Senator **Wiley**. This is not included in here?

Mr. **McConaughy**. This is for support of the Korean forces, the MAP.

The **Chairman**. There are additional funds, $300 or $400 million, if you want to add that.

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TYPE OF MILITARY ASSISTANCE TO SOUTH VIETNAM [P. 573]

Senator **Symington**. How big is the South Vietnam Army?

Mr. **McConaughy**. How big is it? 150,000 as of now.

Senator **Symington**. How big is the largest force that has attacked South Vietnam, that you know of?

Mr. **McConaughy**. Several thousand of these guerrillas, Viet Cong; 4,000 or 5,000 I would estimate recently.

Senator **Symington**. We have some testimony that the biggest one was 300 or 400, testimony within this committee in the last few days.

If you have an army, and you brought it up, and I am just asking for my own information, if you have an army of 150,000 men to defend yourself against 300 or 400 or 4,000 or 5,000, why do you want the money to add 50,000 more troops?

Mr. **McConaughy**. Well, it is just 20,000 at the moment.

Senator **Symington**. 20,000; why do you want to increase it to 170,000 to handle 3,000 or 4,000.

Mr. **McConaughy**. I would say it was because of a handicap that a standing force has against this type of hit-and-run guerrilla tactic.

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EXPLANATION OF RECENT MILITARY COUP IN KOREA [P. 577]

Mr. **McConaughy**. I believe that our capability to defend against Communist pressure there is just the same now as it was before. So it is not deeply disturbing from the standpoint of security.

But from the standpoint of stability and respect for rule of law and constitutionality, of course, it is a bad situation. There is a real censorship of the press; it is a repressive regime in many ways, even though it is a regime which probably wants to do constructive things for the country and hold the line against the Communists. So it is a mixed picture.

We think we have to work with this outfit to try to moderate them and improve them in the respects in which they think they are deficient. We think there are definite possibilities here.

So I do not consider that it is a black situation in Korea. It is disturbing, it is a shade of gray. It is certainly not all white, but it is a situation I believe we can work with, and probably improve.

DEPARTMENT OF DEFENSE VIEWS ON KOREA [P. 577]

Senator **Williams**. Is the Defense Department in agreement with your analysis of the situation there?

Mr. **McConaughy**. Substantially so, on the basis of my best information. I have talked at length to General Lemnitzer about the situation. Of course, I have the views of General Magruder, Commanding General on the spot. He has cabled his views.

General Meloy, who is the new Commanding General in Korea, was in town, and I talked to him yesterday; and, generally, the Defense Department——

Senator **Williams**. Do you think there is anything in the allegation that General Pak is alleged to be a Communist in disguise?

Mr. **McConaughy**. I cannot say it is inconceivable, but it is highly unlikely. I know him casually. He was not in Seoul when I was there. Most of the time he was stationed in Taegu, but he certainly gives no earmarks of being a Communist.

He is a man who believes in direct action. He is authoritarian. But I think he is quite far to the right. I think he reacted violently from his flirtation with communism in the late 1940's.

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BASIS FOR DISCONTENT IN KOREA [P. 578]

Senator **Williams**. We keep hearing reports that there was rather a corrupt situation there. Was there any basis for these?

Mr. **McConaughy**. There is corruption there and, of course, it has not been corrected yet. It was not that there was scandalous direct misappropriation of our own aid funds. We followed that very closely, and I think our aid program is in the clear there.

Our inspectors, who are there all the time, who are very able, have not been able to turn up any serious misuse of direct American aid funds. But within the fabric of society there are gifts and pay-offs and considerations, and so forth. It is just a part of the system there. The whole life of the country seems to be shot through with those.

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NECESSITY OF REVIEW OF OUR COMMITMENTS [P. 584]

The **Chairman**. I am very concerned. It does not matter how much money you put in this area, you can still lose it.

Mr. **Labouisse**. I believe that this has been considered by the NSC on a country-by-country basis. Whether there has been a study of the whole area I do not know.

Mr. **McConaughy**. There has been a NSC study of the area as a whole recently, to my knowledge.

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NECESSITY OF REVIEW OF OUR COMMITMENTS [P. 585]

Mr. **Labouisse**. Mr. Chairman, on this, I do not think it is as simple as saying whether this is a bad investment, or whether this business is going to be successful.

The CHAIRMAN. I just said "personally."

Mr. LABOUISSE. The alternatives are extemely difficult.

The CHAIRMAN. Sure they are.

Mr. LABOUISSE. We do feel, and when I say "we," this would be the State Department, the Defense Establishment and everyone who has given consideration to this, that there is a chance of our saving Southeast Asia, Korea——

The CHAIRMAN. This is too general. Just like the U-2 mission—when the people were asked whether they considered the consequences of this flight, and they said, no, they did not. Through some kind of an inertia they kept on doing it.

It seems to me it is a reasonable question.

Has anybody, any responsible body, in this Government taken a look at this and arrived affirmatively at the conclusion that this is feasible?

Has anybody seriously considered this from the point of view as to whether or not it is feasible to continue this kind of program, $500 million in Korea, and this whole area, that is right up against China?

Mr. LABOUISSE. Well, so far as Korea is concerned, this matter will be before the National Security Council very soon in the immediate future.

The CHAIRMAN. It has not been to your knowledge, this kind of an analysis; it has not yet been done?

Mr. LABOUISSE. It has been done, but I do not believe it has actually been before the NSC.

The CHAIRMAN. Have you seen such a paper?

Mr. LABOUISSE. I have seen such a paper. The Assistant Secretary is chairman of a task force which has been working on it.

Mr. MCCONAUGHY. On Korea.

Mr. LABOUISSE. On Korea.

The CHAIRMAN. That is just on that country?

Mr. LABOUISSE. That is just Korea. They have done similar things on Vietnam and other countries.

The CHAIRMAN. Did that task force not proceed on the assumption that we are committed here, and you did not consider the advisability of withdrawing?

Mr. MCCONAUGHY. Well, it had not been submitted yet. It is still in the formative stage, Mr. Chairman.

The CHAIRMAN. Wasn't that the assumption?

Mr. MCCONAUGHY. It addresses itself primarily to the matter of how we can improve our programs, yes.

The CHAIRMAN. That is right; based on the assumption that we are committed. Was it not your function or did they ask you to take a look at this and consider whether this commitment is feasible?

Mr. MCCONAUGHY. We take it as a premise that we are going to try to hold the position in South Korea.

The CHAIRMAN. That is what I meant.

Mr. MCCONAUGHY. There is another NSC paper on that.

The CHAIRMAN. It was not your function to examine that question. Has anybody done it from this point of view?

Mr. LABOUISSE. Do you know the answer.

The CHAIRMAN Could you find out?

Mr. **McConaughy**. Not on a world-wide basis, so far as I know.

REEVALUATING OUR COMMITMENTS

The **Chairman**. I would think it ought to be on a worldwide basis, and then particularly of this area. This is obviously the most difficult area from the point of view of the geography, the nature of your opponent and the nature of the indigenous governmental organization, the languages, the difference in customs, everything is most difficult for us. It seems to me that with the new administration starting out, this committee is entitled to have an affirmative finding, supported by reasoning that this is the best available program for the south and southeast Asia.

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IMPROVING WELL-BEING OF THE MASSES [P. 588]

Mr. **Labouisse**. I would like to say that the largest single item in this program for which we are asking $1.2 billion in loan money—it is quite possible that three-quarters of this will be used for just three countries.

Now, the next largest single item is supporting assistance. That is $610 million. Of that more than three-quarters will be used just for seven countries.

So you have a real concentration in a few countries, so far as the bulk of the funds are concerned. Where we are spending money rather broadly is in the technical assistance type of operation.

The **Chairman**. Unfortunately, a very large percentage of that is in this very area which I question the feasibility of the program.

Mr. **Labouisse**. That is supporting assistance.

The **Chairman**. I think we ought to be reassured by very high level persons on the long-term feasibility of the program in Asia and Southeast Asia. That does not include Japan. I am not raising any question about Japan or the Philippines.

Mr. **Labouisse**. Or India or Pakistan.

The **Chairman**. No; or in Japan. I do not need that.

But on these areas here, I mean Cambodia, Thailand, we are not doing much in Burma, but Burma, I think—well, it is too late to continue this, but we will later.

I think Indonesia, because of its geographical situation, is also distinguishable because it can be defended from the military incursion by our Forces, which the others cannot. There is a difference.

Korea and South Vietnam, Cambodia, Laos, Thailand and Burma all fall in that category, whether these are commitments that are feasible. I doubt if they are.

The committee is adjourned until tomorrow morning.

[Whereupon, at 12:50 p.m., the committee adjourned.]

INTERNATIONAL DEVELOPMENT AND SECURITY

WEDNESDAY, JUNE 14, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to adjournment, at 2:30 p.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Gore, Lausche, Symington, Wiley, Hickenlooper, Aiken, and Capehart.

Also present: Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse, of the Committee Staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF HON. ROBERT S. McNAMARA, SECRETARY OF DEFENSE; ACCOMPANIED BY GENERAL LYMAN L. LEMNITZER, CHAIRMAN, JOINT CHIEFS OF STAFF; WILLIAM P. BUNDY, DEPUTY ASSISTANT SECRETARY OF DEFENSE; AND GENERAL W. B. PALMER, DIRECTOR, MILITARY ASSISTANCE, DEPARTMENT OF DEFENSE

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MILITARY SITUATION IN VIETNAM AND KOREA [P. 647]

Secretary McNamara. I do wish to emphasize the points we made this morning as they relate both to Korea and to South Vietnam. We are either in a state of war or of near war in both of those countries.

During the noon hour I reviewed a letter that had just come in from South Vietnam, and they stated that they had documentary evidence that, I believe it was, 2,800 men had infiltrated over Route 9 from North Vietnam in the course of the last 4 months, 2,960 armed agents have infiltrated "amongst us in the course of the last 8 months over Route 9 alone." That is the route that runs from Laos to South Vietnam.

Senator Wiley. What nationality?

Secretary **McNamara**. North Vietnamese infiltrated into South Vietnam, armed Vietnamese guerrillas.

Senator **Wiley**. No Chinese?

Secretary **McNamara**. To the best of my knowledge, no. I cannot speak for sure there were none, but if there were any they were in small numbers, I believe.

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JUSTIFICATION OF SIZE OF MILITARY ASSISTANCE PROGRAM FOR KOREA AND TAIWAN [P. 649]

General **Lemnitzer**. We have made these expenditures in support of our basic national policy of collective security. I would say that if we withdrew our support from Korea, it would be only a matter of a few months before the Communists would walk in and take over, and the impact of such a fundamental change in policy on the rest of our Asian allies would be tremendous.

The **Chairman**. Why? What evidence do you have? How do you support that statement?

General **Lemnitzer**. I do not have any positive evidence.

The **Chairman**. How do you support it?

General **Lemnitzer**. Because I know the Communists and I know how our friends feel in Southeast Asia and Asia with respect to the situation in Laos. There was almost despair in Asia when I went there in the early part of May with respect to the situation in Laos, and the loss of it.

The **Chairman**. Then are we to conclude if Laos goes, as it is very likely to go, that then the whole thing is gone?

General **Lemnitzer**. No, I would not so conclude. I would not say it. The situation in Laos would complicate security problems in Southeast Asia because of the strategic position of Laos.

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VIABILITY OF SOUTH KOREA [P. 651]

The **Chairman**. You think it is worth investing $5 or $10 billion more to see if they [South Korea] can make it?

Secretary **McNamara**. I do not believe we are asking that much.

The **Chairman**. You are increasing aid this year. We have the figures on your military. You stepped it up substantially, materially.

Secretary **McNamara**. No, sir. We are increasing it, but not substantially. Last year we had $263 million, and this year it is $274 million.

The **Chairman**. I call that substantial. That is a big amount where I come from. Military, these sums get clear out of perspective.

Secretary **McNamara**. I want to emphasize——

The **Chairman**. I just came from begging for $115,000 for a very fine project in my State, and they went over that with a fine tooth comb.

Secretary **McNamara**. I want to emphasize I do not believe in relation to the base that has been the case in the past year we are increasing it substantially. We are spending a lot of money, but I also want to emphasize that we are accomplishing a great deal in relation to that expenditure.

PROGRESS IN KOREA

The **Chairman**. I do not see that you have accomplished anything in Korea. The government is not better today than it was a year ago. I mean, from our point of view there is certainly no improvement.

We have not even recognized it yet, have we?

Secretary **McNamara**. There is no question of recognition; we wish to maintain the old constitution.

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BASIS FOR U.S. COMMITMENT IN KOREA [P. 653]

In meeting with the Joint Chiefs each Monday afternoon over the past 5 months, I have discussed the basic strategy that our Nation is following throughout the world. In these meetings we have discussed the point at some length that General Lemnitzer has mentioned a few moments ago, dare we run the risk of losing the island chain, and it is not just the territory near Korea; it is the entire island chain.

If we run the risk of the effect of the loss of Korea or Japan, Taiwan, the Philippines, and it does not stretch one's imagination too much to see it extending and affecting Australia. The Australians feel that is a risk.

Now, I cannot prove that that would result. I cannot even state very clearly the kind of a world we would live in if it did result, but I know that the military assistance we are programing for Korea is $274 million, and that is about half the cost of procuring the extra wing of bombers which I do not wish to procure, but which has been authorized by the House and Senate for fiscal year 1962.

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U.S. SECURITY—THE BASIS FOR MILITARY ASSISTANCE [P. 654]

Secretary **McNamara**. I would emphasize that we cannot look at the Korean $274 million, as large as that is, without relating it to the $44 billion Defense budget.

The $44 billion Defense budget is directed toward the threat to our national security. It is a budget that spreads over a wide range of risks.

The amount we are proposing to spend for Korea in relation to the risk is very small, and it is particularly small in relation to the risk when you consider the amounts we are spending in relation to the risks they are directed to offset.

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RELATIVE IMPORTANCE OF EUROPE AND KOREA TO U.S. SECURITY [P. 655]

Secretary **McNamara**. I consider our action in Laos at least as vital.

The **Chairman**. Do you advocate fighting for it? Do you advocate putting our troops in and fighting?

Secretary **McNamara**. I fully support the political objective of the administration of the government to develop and maintain a neutral Laos.

The **Chairman**. Why wouldn't the same be applicable to Korea? Laos has cost a lot of money, but not nearly as much as Korea?

Secretary **McNamara**. I think it extremely unlikely that a neutral Korea could be developed without approximately the same aid as we are presenting here. That nation has an unemployed or underemployed population equal to 35 percent of its total employables, even, after about 600,000 have been employed in the Army, I think it is quite clear that we could not withdraw the economic and military support at the present time and assume that that nation can exist as a neutral nation.

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POSSIBLE CONTRIBUTIONS OF OTHER ASIAN COUNTRIES [P. 655]

The **Chairman**. That does not seem to affect its military capacity. Everybody is scared to death of China, even if they are starving.

Secretary **McNamara**. But I think it is unlikely that we could or should expect that Pakistan will be doing more than it is presently doing. Pakistan is making a major contribution to the support of its own defense establishment, and I think quite clearly it cannot assume any burden for supporting that of Korea.

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DEFENDING ALL NONCOMMUNIST AREAS [P. 656]

The **Chairman**. This is a marginal, you will have to admit it is a marginal case, is it not, if there is such a thing?

Secretary **McNamara**. I do not believe so, Mr. Chairman.

The **Chairman**. Can you think of a more marginal case?

General **Lemnitzer**. I would just like to say that we have been in a power struggle with the Soviet Union and communism since World War II, and this struggle continues and the stakes are high.

The **Chairman**. That is quite right.

General **Lemnitzer**. Their objective is world domination.

The **Chairman**. That is quite right.

General **Lemnitzer**. And they have made tremendous progress toward that objective in the last decade.

The **Chairman**. I do not deny that.

General **Lemnitzer**. If we give up and walk out on any of our allies, Korea or Laos or any of them, and surrender them to communism, we will lose the struggle.

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Senator **Symington**. In the Far East they do not think you are going to use nuclear weapons. I am not saying we should. That is not the point. I am saying what people believe.

Then we get into the question of unilateral nuclear test cessation. Anybody who has been briefed, in any way, on the neutron bomb, knows what we may be voluntarily passing.

Then they orbit a man into space. All these things have a tremendous impact in foreign countries.

We are not making the effort over here, or creating a psychological impression with these people, whether they be friends or allies, that we mean business in case the free world is attacked.

Thank you, Mr. Chairman.

The **Chairman**. Senator Wiley.

POSSIBLE EFFECTS OF RETREAT FROM KOREA [P. 657]

Senator **Wiley**. I listened again with interest. If you let Korea go you are in a third world war, is that your testimony?

General **Lemnitzer**. No, sir. It was a very courageous decision to go into Korea in 1950 and, in my opinion, that decision postponed the third world war for an indefinite period. That decision made it clear to the Soviet Union that we and our allies were not going to tolerate any further Communist aggression.

Senator **Wiley**. You misunderstood my question. To let the balloon go up means we are retreating from Korea, we are retreating from Formosa. Then it does mean war, does it not?

General **Lemnitzer**. No, I do not think so. I mean if we walked away from Korea—I do not see any reason why it would mean world war. I believe that the Communists would go in, they would take it over by subversion and infiltration in a very short period of time, because the Koreans could not maintain the forces that they have there by themselves. They are maintaining 18 divisions along that front, but we have two, and it takes 20 divisions to hold that particular front.

Senator **Wiley**. Well, the last time that an official in Government mentioned that Korea was not necessary for our defense, it got us into the Korean war.

General **Lemnitzer**. I did not understand your comment.

Senator **Wiley**. Well, I think you would if you look up the history, we had a Secretary in Government who substantially said that, and the result was that the North Koreans pounded in.

General **Lemnitzer**. Yes, they did.

Senator **Wiley**. And meanwhile we got in also and we had the trouble there.

What I am getting at is this: Is it your judgment that in the interests of America it is necessary to hold that line in which Korea is an important part?

General **Lemnitzer**. The answer is unequivocally "Yes."

Senator **Wiley**. That seems to me is the sole question.

General **Lemnitzer**. Yes.

Senator **Wiley**. Now then, I would disagree with you on your saying that if we stepped out of there it would be the beginning of the third world war because the Communists would take over everything. They would start down toward Australia, into New

Zealand, and we would be in it, in my opinon, we could not stay out of it.

By staying in Korea, we stay out of war for the time being, at least, do we not?

General LEMNITZER. We are holding the line, and it is better to keep the Iron Curtain there than it is to come down to the city of Pusan or the end of that perimeter.

I believe that our holding that particular area causes the Chinese Communists and the Soviet Union a great deal of, a great many problems, security problems, of their own.

If the Communists were to gain that whole area they would be free to shift their efforts to some other part of the periphery of the Soviet Union or leap frog beyond the periphery, as they have in the last year, into the heart of Central Africa or in to Latin America. They would have additional resources to use in other areas.

The CHAIRMAN. The Communists have done it anyway in Cuba and in Africa to some degree. You have not stopped them by military assistance.

General LEMNITZER. No, we have not stopped them, but I maintain that we must or accept the alternative of a Fortress America. Under such concept the money that would be required for the defense of this country, will exceed anything we dream about today.

COMPARISON OF MILITARY PROGRAM FOR LATIN AMERICA AND VIETNAM

Senator SYMINGTON. But it would seem we never move unless we are shoved.

You are spending $68 million in Central and South America, 25 countries, and most of that is going to the worst managed government. At the same time, in South Vietnam you propose to spend $255 million, 5 times more in a little country than you plan in all the Americas because we have been shoved. We are forced to act now. But an ounce of prevention might be worth a pound of cure.

Secretary McNAMARA. Senator Symington, I think there is some logic to this. There is a widely disparate expenditure range, but I think there is a logic to it.

The logic is the logic of the single-threat country versus the double-threat country. The double-threat country faces potential overt aggression across its border, therefore, must protect itself with very expensive forces. This is the Korea, the South Vietnam problem.

We believe that we can provide the protection that the Latin American countries require in order to maintain a stable government which will be a foundation for the economic growth that we must see there with a very small expenditure. To do that we propose the $68 million expenditure for Latin America. We do not think more is required. If we did we would surely recommend it.

Senator SYMINGTON. Couldn't you have made exactly the same argument 3 years ago, or even 2 years ago, about Cuba?

Secretary McNAMARA. Yes, I think we could have, and I frankly think that certain small expenditures might well have been all that were necessary.

The CHAIRMAN. Military expenditures?

Secretary McNamara. Economic and military. That might have been all that would have been necessary to prevent Cuba from being taken over.

The Chairman. I am sorry, I did not mean to interrupt you. Just go ahead.

SIZE OF U.S. MILITARY ESTABLISHMENT IN KOREA

Senator Wiley. You have heard the chairman tell about the gross amount given to Korea, which would also include the costs of maintaining these 60,000 troops that we have there. Is there, in your judgment, any way that the overall could be reduced?

General Lemnitzer. No, we have examined that very carefully and we have examined the force levels for the Korean forces again this year.

There are two aspects to this problem: We maintain the direction of the military effort in Korea by virtue of the fact that the U.N. Commander is an American. I think this is extremely important that we maintain the direction of the military effort in Korea. With less than the forces we have there at the moment I would say we would have a hard time justifying our control and direction of that military effort.

I do not believe, and succeeding Commanders in Chief have been out there, and the Joint Chiefs, in fact, who have examined it, do not believe that you can maintain the security of the Republic of Korea along 150 miles of Iron Curtain. There is no water between North Korea and South Korea, they can walk right across it any time and renew hostilities in Korea.

Twenty Divisions to defend the front of that land is certainly marginal in addition to the avenues of infiltration that are open to them, down both coasts, which I find in my recent visits the Communists are using to even greater intensity than they have ever used it before.

Secretary McNamara. I would add to that, Senator Wiley, that I think there are some possibilities for reducing expenditures in Korea, not, however, by reducing the manpower. The manpower furnished by South Korea is a very cheap manpower. It is $60-a-year-men.

But the equipment that we furnish, certain types of it, is very expensive. There are F-104-G aircraft, perhaps $15 million or even higher cost per unit.

There are possibilities that we can shift the responsibility for certain types of defense in Korea from, in effect, Korean forces to U.S. forces, and the U.S. forces can be mobile forces that, in effect, serve as a pool supporting Korea, South Vietnam and many other areas, and it is possible we can save tens of millions of dollars per year by this shift of emphasis.

We are examining it. We have taken certain steps in 1962 with respect to that. I think we can do more in the future.

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UNEASINESS IN KOREA [P. 661]

Senator **Gore**. You were there in Korea shortly before the recent coup, were you not?

General **Lemnitzer**. I was.

Senator **Gore**. Did you detect or did you foresee, did you find evidence that the United Nations would lose control of the ROK forces?

General **Lemnitzer**. No. I saw none whatsoever. I detected among the military and civilians alike an uneasiness, and some concern and dissatisfaction with the way things were going in Korea. Specifically, there was great uneasiness about the unemployment, the rising increase in the rate of unemployment.

Senator **Gore**. Was this in the military?

General **Lemnitzer**. Both military and civilian. And the inflation. When I went to Korea a year ago the rate of exchange was 500 hwan per dollar. Today it is 1300 per dollar.

Senator **Gore**. Isn't it a little unusual for the military establishment to concern itself with employment?

General **Lemnitzer**. No sir, I don't think it is.

Senator **Gore**. You say you found all of this unrest.

General **Lemnitzer**. No. I found areas of dissatisfaction. I have a good many Korean friends, both in the military and the civilians. And I was just relating what their feeling was.

Senator **Gore**. You say you were not in position to take any steps.

Do you mean by that that you have no command?

General **Lemnitzer**. I do not have any command. I happen to be the Chairman of the Joint Chiefs of Staff who do not exercise command, but they are in a chain—closely advisory to the Secretary.

Senator **Gore**. Then you could have taken steps to make recommendations to the Joint Chiefs of Staff, of which you are Chairman.

General **Lemnitzer**. When this occurred, Senator Gore, I made a recommendation.

Senator **Gore**. Will you answer my question first. When you returned, having found this unrest in the military, about which you spoke, did you make any recommendation?

General **Lemnitzer**. No one did, while I was there. But I did talk to our military people in Korea, and indicate that this confirmed the reports that were coming back from Korea to this country before I left in April. I think this is generally known. These things were generally known.

Senator **Gore**. If you will answer my question. Did you make any recommendations to the Joint Chiefs of Staff or to the Secretary of Defense of remedial steps to safeguard the loss of control of the military forces in Korea as a result of this unrest which you said you found.

General **Lemnitzer**. I don't think the loss of control or the loss of operational control of the Korean forces was foreseeable at that time, and it was not obvious, and I made none. But I did make an oral report on what I observed in Korea.

RECOMMENDATIONS ON LAOS

Senator **Gore**. You have said that a loss of Korea, or if the United States withdrew its support from Korea, that consequences would follow into Japan and—I will not undertake to quote all of the consequences which you foresaw.

Did you take a similar position with respect to Laos?

General **Lemnitzer**. I submitted recommendations on Laos, yes.

Senator **Gore**. What were your recommendations?

General **Lemnitzer**. I recommended that if there was not an immediate cease fire in Laos, and the continual erosion of Laos took place, I recommended strongly that SEATO forces take a position, so as to prevent the further erosion and the further loss of Laotian territory.

Senator **Gore**. When you recommended that the SEATO forces be positioned so as to prevent further erosion and loss of Laotian territory, did you mean by that the placing of SEATO forces into combat positions in Laos?

General **Lemnitzer**. Wherever it was necessary to prevent the further loss of the territory of Laos.

What actually happened, subsequent to that period, there was a cease fire agreed upon, and the positions have remained pretty static, with one important exception since that time, and that is the loss of Padong.

USE OF U.S. FORCES IN COMBAT

Senator **Gore**. Then you did recommend involvement of United States forces in combat operations, if combat operations were necessary to prevent the further gain of territory by the Pathet Lao forces.

General **Lemnitzer**. I recommended that SEATO forces be employed, and United States forces would be a part of SEATO forces.

Senator **Gore**. Without United States forces, SEATO forces are not very strong.

General **Lemnitzer**. No, they are not very strong. But we do have some strong SEATO allies who are able and willing to provide their share of forces.

Senator **Gore**. Was this recommendation of yours concurred in by the Joint Chiefs?

General **Lemnitzer**. I happen to have been in Saigon at the time I made my recommendation. My recommendation was requested by the other members of the Joint Chiefs of Staff.

Senator **Gore**. Did they make a similar recommendation?

General **Lemnitzer**. I was not present. I think some of them did, some did not.

Senator **Gore**. Then how many recommendations were there from the Joint Chiefs of Staff and the Chairman?

General **Lemnitzer**. I was not here at the time, Senator Gore, so I am not aware of exactly the number.

Senator **Gore**. Then I take it from your answer there was, to your knowledge, more than one recommendation.

General **Lemnitzer**. Yes, sir.

Senator **Gore**. So there was not a unified recommendation by the Joint Chiefs of Staff?

General Lemnitzer. With respect to Laos, my impression is there was not. With respect to positioning of forces other than in Laos itself, I think the recommendation was unanimous. But I was not here at the time. I do not know how those recommendations were put forward to the Secretary.

Senator Gore. Then with all of the logistics that appear apparent even to a layman, you recommended involvement of United States forces in an inland country, without a port, next door neighbor to Red China, half way around the world from the United States.

General Lemnitzer. I recommended the meeting of the commitment which we had under the SEATO treaty.

ADVISABILITY OF CONTINUING U.S. AID TO KOREA

Senator Gore. Mr. Secretary, a few days ago I raised the question, or I questioned the advisability of continuing United States aid to South Korea. The chairman of the committee has again raised the question. I placed particular emphasis, in raising the question, on the dictatorship that has been established there by the military junta.

I know this is a decision which the Defense Department alone cannot make. And I do not state any final conclusions, even on my own part. But I do raise the question with you.

With this particular dictatorship taking the low forms, oppressive and suppressive forms that it has, I wonder what the cost is politically and morally to the United States with identification of it, and my question to you is what, in your opinion, would be the possible effects of a decision on the part of the United States that its aid would be continued only if the constitutionally elected government should be reinstalled in South Korea.

Secretary McNamara. Senator Gore, I really don't feel I can answer. I think this is a State Department matter. My judgment on this matter would not be an experienced judgment. I don't believe it would be appropriate for me to comment on the foreign policy question involved.

I will say this. To the best of my knowledge, this new government in South Korea is moving to correct a number of conditions that required correction in the national interest in South Korea. I am speaking particularly of actions it has taken to eliminate corruption and graft. I am speaking of the action it has taken to begin to develop a long range economic plan which will eventually lead to, I hope, an accelerated economic growth in that country.

I think that there is a real possibility that change may be seen with hindsight to have been much in the interests of the people of South Korea, and the national interests of South Korea.

Senator Gore. You know, Mussolini made the trains run on time.

Secretary McNamara. Mussolini caused the people of Italy to pay quite a heavy price for the on-schedule operations of the railroad. I think that it is entirely possible, and I personally believe probable, that that price will not be exacted from the people of South Korea.

Senator Gore. Well, you are entitled to have that hope. I have been most discouraged after the vast expenditures that have been made that we find ourselves in 1961 with a dictatorship that has abolished freedom of speech, freedom of assembly, the constitution, thrown out the elected government. This is a disappointing state at which to arrive.

NORTH VIETNAMESE INFILTRATION OF SOUTH VIETNAM

I want to come now to the question about which I asked you briefly in the public session.

You said this morning in public session that there were some 12,000 Viet Cong forces in South Vietnam that had infiltrated from North Vietnam. I said at the time in executive session I would ask you to authenticate that.

Secretary McNamara. Yes, sir. We have considerable evidence of this. I would be quite happy to develop all of it and submit it to you and the other members of the committee for your records and your personal inspection. But I have with me here a letter which is dated June 9, just by coincidence, which was brought to my attention during the noon hour, which contains this statement on this exact point. And this is the latest information we have.

Senator Gore. Would you mind identifying the letter.

Secretary McNamara. Yes. This is a letter from the Government of South Vietnam, reporting on certain questions that we have been exchanging views on. This states, and I will quote the exact sentence that refers to the point you raised—"documents obtained in a recent operation along route number 9"—we can point that out on the map if you choose—"which runs from Laos to Vietnam contained definite proof that 2860 armed agents have infiltrated among us"—and I will insert from North Vietnam—that is the intent of the sentence—"in the course of the last 4 months. It is certain that this number raises each day."

Now, you may well ask what kind of proof do they have. They have payroll records, identification records, and other records that are taken from individuals who have been killed after having been detected by the border guards and others. And this is but one of a whole series of evidences that we have supporting our belief that approximately 12,000 North Vietnamese guerrillas are active in South Vietnam at this time.

Senator Gore. Well, I am asking for information. Of course this is a controversial thing with many Vietnamese citizens themselves. And recently, a United States official, who not long ago was in South Vietnam, told me in my office that there was a tendency in South Vietnam on the part of the President and others to brand as Viet Cong or Communist anyone who was opposed to President Diem.

I am asking you if that is correct, or if you do have substantial information that there are 12,000 who have infiltrated from North Korea. It was this gentleman's opinion that most of the opposition was from citizens of South Vietnam who have lived there all their lives.

Secretary McNamara. No sir. All of the evidence I have—and it comes to me not primarily from the South Vietnamese, but from our own intelligence agents and from the CIA—all of the evidence I have supports my conclusion that the majority of the Viet Cong have been infiltrated from North Vietnam. And I would be happy if you wish to arrange to compile a documentation of this conclusion. It is a sensitive subject. We would wish to be very careful in releasing the information.

Senator GORE. I don't really care for any detailed documentation—if you state that you have reliable information upon which you feel confident to rely that this is the case—I take that.

Secretary McNAMARA. Yes sir, I do. And as I say, it comes from U.S. primary sources rather than from officials of the South Vietnamese Government.

Senator GORE. All right. You don't need to detail it. I am not asking for details.

WHY THE SOUTH VIETNAMESE ARMY CANNOT COPE WITH THIS FORCE

The second question is if there is a force of 12,000, mostly I believe you stated this morning in the area south of Saigon, which is considerably removed from North Vietnam—and South Vietnam has an army of 150,000, why is it that an army of 150,000 cannot cope with an alien force of 12,000 within a country?

Secretary McNAMARA. Let me answer briefly, and ask General Lemnitzer to comment further upon it.

First, the army of 150,000 is spread over the country, must be so, because it must protect its borders against possible further invasions by the North Vietnamese, which have an army substantially larger than the 150,000. I believe I am correct in saying that the North Vietnamese army is on the order of 300,000.

Second, I am told by men who have studied the subject in great detail that anti-guerrilla warfare requires ratios on the order of 20 to 1—20 anti-guerrilla operators for each guerrilla operator. It is an extremely difficult type of warfare to conduct. General Lemnitzer, you might wish to comment on this problem.

General LEMNITZER. The Vietnamese have presently seven divisions. Most of them are being employed to close the frontier between Vietnam and Laos. The eastern part of Laos unfortunately has a fairly heavy concentration of Pathet Lao, the Communist Lao.

The remainder of those divisions are functioning against the Viet Cong. The ratios that the Secretary gives are correct. It is estimated that it took 20 British and Malayan troops for each Communist guerrilla in the mop up in Malaya, which took a matter I think of 8 years, to clean out approximately a force of about 12,000 to 18,000 Communist guerrillas in Malaya, because of the nature of the country and the difficulty in dealing effectively with guerrilla operations in a country such as was in the Mekong Delta, which we mentioned this morning.

SENDING GUERRILLAS TO NORTH VIETNAM

The CHAIRMAN. Will the Senator yield there. Have you ever thought of sending guerrillas into North Vietnam.

General LEMNITZER. Yes sir, we have.

The CHAIRMAN. Have you ever done it?

General LEMNITZER. Only to a very limited extent.

The CHAIRMAN. What was the experience?

General LEMNITZER. There are several problems involved here Senator Fulbright. North Vietnam is a police state with the tightest security restrictions—the tightest of security restrictions that one finds in any Communist state. Operating guerrilla forces under such circumstances is a very difficult operation indeed. As I indicated this morning, I believe the number of North Vietnam divisions which effect the control of North Vietnam today numbers 14, which is about twice the size of the Vietnamese. So it is much more difficult to carry on guerrilla operations in a police state, with tight security controls, such as they have, than it is in a democratic type of state with smaller forces that you have in South Vietnam.

Senator GORE. You are not pretending there is a democratic type of state in South Vietnam, I hope.

General LEMNITZER. Much more so than in North Vietnam, Senator Gore.

The CHAIRMAN. Are the people in North Vietnam as sympathetic to these guerrillas as the people in South Vietnam are to the other ones?

General LEMNITZER. There are a good many Tungnese in South Vietnam eligible or who could be used for this purpose.

President Diem and his government are attempting to deal with first things first. And the internal security threat is the greatest threat, and that is where they are concentrating their effort at the present time.

Senator GORE. For whatever it is worth to both of you, there are many students of this problem who say that vast military expenditures worsen rather than help the problem—that it cannot be solved militarily. That unless the population in this delta area is favorable to the prevailing government, then you cannot solve the problem.

COMPARISON TO FRANCE'S ROLE IN INDO-CHINA

Now, you referred, General, to Malaya. Let me remind you that France had an army of 400,000 to 500,000 in this area for 9 years.

General LEMNITZER. I know that.

Senator GORE. And now we have been there quite a long time. And the problem seems to be worse instead of better.

General LEMNITZER. I don't think it is worse than it was during the latter part of the French operation, Senator Gore. It is difficult in South Vietnam today. The pressure has been turned on by the Communists. But I would say that it has not quite reached the proportions that existed against the French in that area.

Senator GORE. Well, now, I think you may have overstated yourself there. Do you think the situation is worse in Laos?

General LEMNITZER. It is difficult to compare the two.

Senator GORE. I am speaking of the Indo-China peninsula. Sometimes the United States, it seems to me, must do some very hard thinking on this area. I would like to ask you, from your industrial knowledge, Mr. Secretary, if there are minerals of strategic and necessary importance to us in either Cambodia, Laos, or Vietnam?

Secretary MCNAMARA. I cannot speak with authority on it, but I don't believe so.

Senator **Gore**. So the importance of this great portion of this area to freedom rests on the falling domino theory—that if Laos falls, then everything else is going to fall, or if Vietnam falls, then everything is going to fall, or if South Vietnam falls, then everything is going to fall. This is the same thing we have had—hold every inch.

Well, as the chairman of this committee says, there is a question of the commitments and our ability to hold every inch around the world.

Thank you, Mr. Chairman. My time is up, I am sure.

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Senator **Lausche**. If we are to put in money by way of military equipment and aid, we have to be prepared later to do what we say now we are going to do. I agree with General Lemnitzer that in the Laotian situation we should either pull out or go in.

POLICY IN THE EVENT OF WORSENING VIETNAM SITUATION [P. 666]

What are we going to do if things get bad in South Vietnam? And I understand that in South Vietnam there is open battle in the southern part and guerrilla warfare in the northern part. So there are many areas where troops are needed.

My question is if we put in this money, when, if ever, are we going to assert ourselves and say we are not going to keep being pushed out. If we are going to suffer being pushed out one year from now, we might as well pull out now.

I would like to have you elaborate on that, Mr. Secretary, or give your views on it.

Secretary **McNamara**. Well, Senator Lausche I don't believe we have given in on Laos. I don't believe Laos is lost. I do think that the programs we are proposing for the remainder of Southeast Asia, Cambodia, Burma, Thailand, South Vietnam—will strengthen the military establishments of those countries and are sufficient to assist those countries against further infiltration of Communist agents from the surrounding territories. For that reason we have recommended these programs to this committee.

Senator **Lausche**. Let's assume that Vietnam is about to go. Will we let it go?

Secretary **McNamara**. I could only answer that question in view of the other circumstances throughout the rest of Southeast Asia and for that matter throughout the world at the time the situation developed.

SITUATION IN LAOS

Senator **Lausche**. Are we going to let Laos go? If you say "Yes", then my question is: Why are we putting money in Laos?

Secretary **McNamara**. I am very hopeful that the action we have taken, the action that SEATO has taken, and the position this government has taken will lead to a cease fire in Laos and the establishment of a government which will make unnecessary any further consideration of military action by us.

Senator **Lausche**. The answer probably is that we have to look at conditions as they are when this collapse comes. I have come to the conclusion that military aid is indispensable to our security. We can't give it up now, and we wouldn't be able to give it up a year from now, nor 2 years from now. If I would conclude that we are going to give it up a year from now, I would say give it up now. I have given you my views, for whatever they may be worth.

Secretary McNAMARA. I would certainly not propose that we give it up a year from now or 2 years from now. I think that the action we are proposing will make unnecessary the use of military—U.S. military forces in that area.

SITUATION IN KOREA [P. 667]

Senator LAUSCHE. Mr. Chairman, you can see my thinking. How many lives did we lose in Korea?

General LEMNITZER. Just under the number that we lost in World War I.

Senator LAUSCHE. 250,000?

General LEMNITZER. The number killed was less than that.

The CHAIRMAN. Was it about 50,000? It was much less than 250,000. Does somebody know about what it was?

Secretary McNAMARA. It was about 50,000.

The CHAIRMAN. About 50,000, for the record.

Senator LAUSCHE. Mr. Chairman, the point I am trying to make—if we are going to give up South Korea now, it would have been better to give it up in 1950.

General LEMNITZER. Mr. Chairman, I want to clarify one thing, which I want to be very sure about, and that is when I was in Korea, Senator Gore, there was not the slightest indication of an overturn of the government. I want to make that very, very clear. That was the thing that caused the momentary removal of the ROK forces from the U.N. Command. There was not the slightest indication in anything that I or a good many other people who were visiting Korea at the time, that there was going to be a coup d'etat or an overturn of the government in Korea. I want to make that very clear.

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Secretary McNAMARA. I would like to ask General Lemnitzer this. Could he [the Prime Minister of Korea] not call on them [the Korean national police] in the event of an insurrection?

General LEMNITZER. Yes, he could call on them. But the Prime Minister disappeared immediately upon the indications of a coup, and there was no contact between him and the United Nations Commander.

Senator LAUSCHE. Well, he would have to call the United Nations Commander and have the United Nations Commander send them in.

General LEMNITZER. Yes sir. The United Nations Commander would have to release them.

Senator LAUSCHE. That is all I have.

The CHAIRMAN. The Senator from Vermont.

Senator GORE. Could I make one brief statement before you start.

Mr. Secretary, I have not, as you have carefully noticed, I am sure, advocated that the United States withdraw its support from South Korea. I have raised, seriously raised, the question. I think the time may have come to use the famous phrase of the late Secretary Dulles, for an agonizing reappraisal. I have raised these questions for several reasons. One, because of the serious political consequences to the image of freedom and what America stands for with our constant identification with degenerate dictatorships. I have raised it because of the perhaps over extended nature of our commitments. I have raised it because of what seems to be a deterioration of the situation, and an interminable cost, and the danger of our involvement, our being sucked in, so to speak, into a war where we would be at the greatest possible logistic and strategic disadvantage.

Let me repeat. I have only raised the questions. And I raise it with you in order that—in the hope that perhaps it will cause some ferment and reexamination of the whole question.

Thank you, Mr. Chairman.

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REQUESTS FOR MILITARY ASSISTANCE IN LATIN AMERICA [P. 669]

Senator **Aiken**. The largest items you are requesting would go to partially pay Brazil for the rent of the station there. And the loan to Venezuela for the purchase of equipment which would be required to be repaid.

Secretary **McNamara**. You are correct. The largest single item is approximately $11 or $12 million for Brazil, which is associated with the station we have there.

Senator **Aiken**. Is that $20 million now?

Secretary **McNamara**. $20 million.

Senator **Aiken**. It used to be more than that.

Secretary **McNamara**. Yes, it was $27 million last year.

Senator **Aiken**. If we contribute more military assistance to South America, will it relieve them of costs which they would otherwise have to carry themselves?

Secretary **McNamara**. I would say it would relieve them of costs they would otherwise have to carry themselves—and costs which they would find very difficult to carry because of the average income per capita which ranges from $50 in Bolivia, to $400 in some of the richer states.

Senator **Aiken**. Are you sure that if you give them superior equipment they wouldn't use it on each other?

Secretary **McNamara**. I am, because of the very small amounts of equipment and training we are proposing to give. It is in the hundreds of thousands of dollars for most of the nations. Those amounts will not provide a force adequate to conduct aggression beyond their border.

Senator **Aiken**. I notice you refer to that in case of Peru and Ecuador.

Secretary **McNamara**. El Salvador, Guatemala, Mexico, yes, several are down in the hundreds of thousands.

Senator **Aiken**. Now, if one of the purposes is maintaining friendly governments in office, this is a laudable ambition.

However, the experience of some of those countries has been that when they get a good strong military, the military just takes over the friendly government. In fact I presume that the government in

Korea that has just been taken over was a friendly government to us.

Secretary **McNamara**. I don't believe the question was so much one of its friendliness as it was of its effectiveness.

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EXAMINATION OF INDIVIDUAL REQUIREMENTS AND REMOVAL OF CERTAIN ITEMS [P. 672]

Secretary **McNamara**. No, sir; there are not. There is, however a very rigorous examination of the individual items of equipment for each of the individual countries. As I mentioned this morning, I personally removed—I can recall—five different items. C-130 aircraft to five or six countries in Southeast Asia in the Middle East, F-104-G's, for several countries in Southeast Asia and the Middle East, certain Hawk and Nike battalions for those countries, a Sergeant battalion for one of the NATO nations and a series of other items of equipment which I consider cost more than they would bring to us in additional national security, and which, therefore, I recommended be removed—not because it was necessary to get down to a ceiling, but because that specific item for that specific nation did not appear to me to be justified.

Senator **Symington**. I was interested when you said you removed some F-104-G's from the Far East. Isn't the F-104-G designed to deliver nuclear weapons at low altitudes?

Secretary **McNamara**. It can deliver nuclear weapons, yes, sir. It is also of course useful with non-nuclear weapons as well.

Senator **Symington**. But at over $1½ million apiece, it is an expensive fighter.

Secretary **McNamara**. It is an expensive item of equipment. It is a sophisticated item of equipment which I felt we could supply the equivalent power of in other ways, much more cheaply.

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DEFENSE DEPARTMENT POSITION ON NUCLEAR TEST CESSATION [P. 674]

Senator **Symington**. Have you been briefed—I ask this for the record—have you been briefed on the new weapons, more specifically on the neutron bomb?

Secretary **McNamara**. Yes. The Director of Research and Engineering for the Defense Department, Dr. Harold Brown, I recruited from the Livermore Laboratories of the University of California, which are under contract to the Atomic Energy Commission. He was Director of those laboratories. Those were the laboratories that developed the hydrogen bomb. They are also the laboratories which have developed the weapon you speak of. He is eminently acquainted with it, was in charge of its development, as a matter of fact, and I have been thoroughly and completely briefed on the subject, both by him and by others.

Senator **Symington**. As I understand it, there would be no danger to populations resulting from underground testing, and through underground testing it might well be possible to develop a weapon of this character.

With those premises—and I do not ask you to agree to them—but if you do not, I wish you would say so. If you do agree to those premises, and we continue this unilateral voluntary disarmament on our part indefinitely, is there not a chance, a good chance, that in the not to distant future the Russians might come up with a weapon which would be decisive in this field?

Secretary McNamara. An extended voluntary nuclear test ban without inspection, without proper controls, would be a potential danger to this Nation.

Senator Symington. We do not have any inspection today, and we do not have any proper control. Is that not true?

Secretary McNamara. That is true.

Senator Symington. We do have unilaternal voluntary cessation.

Secretary McNamara. That is quite correct.

Senator Symington. Thank you, Mr. Secretary. It is always a pleasure to talk to somebody who has convictions in these matters.

QUESTION OF KOREAN TROOP MOVEMENTS

I have a question here which goes back to some of the questions the Senator from Tennessee asked. It has to do with this Korean situation.

Korean parliamentarians told the Far East Subcommittee on May 23 that it would not have been possible for 3,800 troops under General Park to have moved 25 miles into Seoul without the knowledge and perhaps the acquiescence of General Magruder. Would you comment on that?

Secretary McNamara. I would like to ask General Lemnitzer to comment upon it.

General Lemnitzer. Would you read the last part of it again, Senator Symington. I want to be very careful about this.

Senator Symington. I will show it to you, General. If you would look at it to be sure that you have it.

General Lemnitzer. In my opinion, it would be possible for a movement of this size to have taken place at night without knowledge on the part of General Magruder. The Korean front is 155 miles long and there are troop movements continually in progress, as units along the front are changed. I believe that a movement of this size, and for that distance, could have taken place during hours of darkness without General Magruder's knowledge.

Senator Symington. You feel those four people are wrong?

General Lemnitzer. I do.

Senator Symington. Thank you. Thank you, Mr. Chairman.

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NEED FOR REEVALUATION [P. 679]

The Chairman. The general mentioned a moment ago that Maginot Lines are no longer a deterrent because of the development of propaganda, economic assistance, a high degree of subversion, not only physical subversion but intellectual subversion. This is what I meant about reevaluation. I do not mean to leave the impression we are giving up anything.

A shift in our emphasis and where we apply our resources should be studied. Is it more effective for the defense of the country to continue to apply it in Korea at half a billion dollars or to take that half billion dollars and apply it in Africa or Latin America or somewhere else? I wonder whether or not this has been weighed effectively.

I have a strong feeling that the same $500 million that you now put in Korea would produce a great deal more security if it anticipates similar developments, say, in Africa, Latin America, India or Egypt. I think Egypt is a place we have neglected terribly. I have disagreed with the policy there since 1956. I think much could have been done there and in other places.

But we do not have unlimited funds. And as long as you insist on putting $500 million in Korea, and $300 million or $400 million in Thailand, we do not do these other things.[1] That is where I think we are losing. It is a long-term loss.

I do not agree that we have retreated so much.

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SOVIET ASSISTANCE TO INDONESIA [P. 680]

Secretary **McNamara**. Witness the recent agreement with Indonesia in which my recollection is that the Soviet Union agreed to supply several hundred million dollars worth—I think $500 million worth of highly sophisticated weapons to Indonesia. I think we are facing up to the military security requirements of our Nation. We have endeavored to relate one item of expenditure to another as it affects that.

The **Chairman**. Who do you think Indonesia is threatening?

Secretary **McNamara**. I am simply saying that the Soviet Union thought it important enough to agree to spend $500 million or $600 million to support Indonesia. This is indicative of what will happen throughout the world if we withdraw our support.

The **Chairman**. Well, you are supporting Indonesia, too, are you not?

Secretary **McNamara**. To the extent of $14 million, against their several hundred million.

The **Chairman**. It that all she requested of you?

Secretary **McNamara**. I cannot answer the question. Mr. Bundy states they have asked for much more.

The **Chairman**. Well, that is our deliberate choice of our own. I think there are good reasons myself.

Secretary **McNamara**. I want to emphasize we have been spending over $40 billion a year on our defense establishment. I presume that you might conclude, just as the committee may have concluded, that our position in certain of these foreign nations has been weakened, that our position vis-a-vis the Soviet Union and national defenses can weaken. But surely that is not a reason to cut our national defense budget.

The **Chairman**. They are not comparable. That is an irrelevant consideration completely. The relations in a military sense between the United States and Russia seem to me quite different from what we are talking about here. I do not see the relevance.

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[1] The Department of Defense later noted that the figure for military assistance to Thailand was $49 million.

RESULTS OF MILITARY ASSISTANCE TO TURKEY AND IRAN

Take Iran as an example. The President reported that Khrushchev told him that Iran would collapse without his moving a finger; that he would have nothing to do with it; it was going to collapse because of corruption and inefficiency of its own government.

Secretary **McNamara**. If we withdraw our military, it will certainly collapse.

The **Chairman**. I disagree. I think one of the reasons it is going to collapse is because you have overburdened them with the wrong kind of aid.

Secretary **McNamara**. I do not agree with that at all.

The **Chairman**. I know you do not. I do not agree with your view. In Turkey the civilian regime collapsed, you are going to have to put a great deal in there. You overburdened this little country with expenditures it cannot support. It has had terrible inflation. Fifteen years ago it had a reasonably stable government. Then it had the misfortune of getting Menderes. Many of the difficulties arose from the overexpansion of its military commitments.

Secretary **McNamara**. I seriously question that either Iran or Turkey are in difficulty because of the military aid program of the United States.

The **Chairman**. Well, you have encouraged them to enlarge their military beyond their capacity to support it.

Secretary **McNamara**. No, sir.

The **Chairman**. This is one of the causes of the bankruptcy of this regime. It also has some corruption.

Secretary **McNamara**. We have not encouraged them to expand their forces beyond the limits they wished. Iran in particular——

The **Chairman**. I did not say beyond what they wished. Of course they wish it. This kind of a government always wants help in order to protect itself from its own people, if not from other neighbors. Of course, the Shah asked for it.

Secretary **McNamara**. We have restricted them. Their present forces are less than they have asked for, less than they have pushed for, and frankly I think less than they would have if they did not have the military assistance.

The **Chairman**. That is not the question I am talking about—what they asked for.

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PROBLEMS DUE TO LACK OF LONG-RANGE ECONOMIC PLANNING [P. 682]

Secretary **McNamara**. Because the nation did not do what it could have done with the resources it had at hand over and above its military expenditures. The problem in Iran certainly does not exist because we have been supplying military assistance. One of the problems in Iran quite obviously is ineffective political and economic long range planning. And that is certainly the same problem in most of these other underdeveloped nations of the world. It is extremely difficult to develop an effective long range economic plan in one of these countries.

The **CHAIRMAN**. It is difficult, and a contributing cause, and the important one, is the overdoing of the military.

Secretary **MCNAMARA**. No, sir.

EFFECTIVENESS OF IRAN'S ARMY

The **CHAIRMAN**. These countries cannot really defend themselves against Russia. What is the justification for Iran having a large army, a large modern army, of 50,000 or 100,000?

Secretary **MCNAMARA**. 200,000.

The **CHAIRMAN**. Do you think that it could materially contribute to its defense, unless we came to help immediately?

Secretary **MCNAMARA**. I would like General Lemnitzer to speak to the problem of Iran, and particularly its northern borders. But I would like to get back, if we might, after he answers that to this question of whether our military assistance has weakened these nations. I do not believe it has.

General **LEMNITZER**. If the Iranians obtain their goal, any movement of the Russians toward the oil fields south of Iran, this force could delay them. And then we would—I am sure the central powers would be confronted with a decision as to whether they would go to Iran's assistance or not.

The **CHAIRMAN**. Do you really seriously anticipate any such move by Russia?

General **LEMNITZER**. No, sir, not now.

The **CHAIRMAN**. I do not either. I think on the other hand it is one of the most critical spots at the moment.

General **LEMNITZER**. Yes.

The **CHAIRMAN**. For entirely different reasons than overt invasion.

It seems to me the creation of this large army for this country is irrelevant to its problems, which are internal, and the organization of an effective government and so on.

I did not say now that this is the only reason these countries have collapsed. I say it is a contributing reason.

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PERCENTAGE OF INDIAN ECONOMY TO MILITARY [P. 683]

The **CHAIRMAN**. I do not think it is as much of their budget.

Secretary **MCNAMARA**. I think it is. I say that only because I talked to both the Pakistani and Indian ambassadors on this subject within the last 60 days. My recollection is that—and I was surprised at the percentage of India's gross national product and of their budget that went to defense.

The **CHAIRMAN**. Of course, they get no outside help. Does this 30 percent include our help?

Secretary **MCNAMARA**. It is exclusive of our help.

The **CHAIRMAN**. How much is our help? It has been very substantial.

Secretary **MCNAMARA**. Our help is about 20 percent of theirs. So let us say it is three-quarters of 1 percent of their gross national product, something like that. I am speaking now of military assistance.

The **Chairman**. For a while we gave them very large amounts of hardware, did we not? It ran as high as $150 million there at one time, did it not?

COMPARISON OF EXPENDITURES OF PAKISTAN AND INDIA

Secretary **McNamara**. Yes. It was $58 million last year, and we are now proposing $45 million. But I think this Pakistan-India comparison is a very illuminating one. If Pakistan is in trouble, and I do not believe it is—I think it is on the way to a substantial economic growth—but if it is, surely the fact that its defense expenditures are approximately the same in ratio to its gross national product as India is not a cause of that trouble.

The **Chairman**. But I think that the percentage that they devote of their budget to the military establishment is considerably higher than India's, is it not?

Secretary **McNamara**. Higher than India's?

The **Chairman**. If you include military assistance also.

Secretary **McNamara**. Even at that, I am not sure it is. I would like to check this and provide the figures for the record. But I think including our aid, our military aid, Pakistan's expenditures on defense approximate 5 percent of their gross national product, and I believe that I am correct in thinking that India's are approximately the same total, as a percentage. In terms of dollars, I think they are twice the Pakistani expenditures.

The **Chairman**. Do you think it has the same relation to their income?

Secretary **McNamara**. I would have to check that. I think so.

COMPARISON OF MAAG STRENGTH IN CERTAIN COUNTRIES

The **Chairman**. One other question that is not related to this one is the relationship between your MAAG strength in various places. Our program puzzles me.

For example, in Formosa you have the fiscal year 1962 programs, $167 million. You have 1,039 MAAG strength. In Vietnam you have only 645 people. What is the reason for such a great difference?

General **Palmer**. There is a big signal communications unit in that total.

The **Chairman**. In Korea, what is the 2,000 MAAG there—275.

General **Palmer**. Ever since the Korean war the services have had large training groups in the Korean forces. We have kept them very large.

The **Chairman**. What is the reason for that?

General **Lemnitzer**. Well, they have approximately the same number of divisions, less two. And there is a MAAG detachment at each one of these divisions all the way across the front. It is through them that they observe the utilization of equipment, the training which is involved, and they assist in the training. So the spread in Korea is still very large. Now, the reason it has not been maintained was that in 1955 the United States turned over to the Republic of Korea Army the responsibility for the complete communications. They never had been in the logistics field before, except within the division. It required a rather large complement of logistic type people from the United States to assist them in taking on that additional important requirement.

The **Chairman**. Why is it in Pakistan you require so few people? You have only 97.

General **Lemnitzer**. Because in Pakistan the capability and the high state of training which they have—and the fact that they have run their own communications zones and their logistics establishments.

The **Chairman**. They just do not need them, in other words.

General **Lemnitzer**. That is right. Prior to the Korean war, they had no experience whatsoever in this field, Senator—none at all.

The **Chairman**. Well, they have had 10 years. I think some of them would learn something by now.

General **Lemnitzer**. They have now. But they have only been responsible for running their own communications. Also that communication zone also supports the American divisions in Korea.

The **Chairman**. Well, it is getting late. We will recess until tomorrow at 10 o'clock when we will meet in this room to hear Major General Frederick H. Miller and the Defense Department and others to testify on the European military program, which I predict will be much less controversial.

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[Whereupon, at 5:20 p.m., the hearing was recessed.]

INTERNATIONAL DEVELOPMENT AND SECURITY

THURSDAY, JUNE 15, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to adjournment, at 10:15 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Gore, Lausche, Symington, Wiley, Aiken, and Church.

Also present: Former Senator Theodore Francis Green.

General W. B. Palmer, Director of Military Assistance, and Markley Shaw, Military Assistance Controller, International Security Affairs, Department of Defense.

Mr. Marcy, Mr. Holt, Mr. Denney, Mr. Henderson, and Mr. Newhouse, of the committee staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENTS OF HON. FOY D. KOHLER, ASSISTANT SECRETARY OF STATE FOR EUROPEAN AFFAIRS; AND MAJOR GENERAL FREDERICK H. MILLER, DIRECTOR, EUROPEAN REGION, INTERNATIONAL SECURITY AFFAIRS, DEPARTMENT OF DEFENSE

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FUNDS REQUESTED [P. 687]

Mr. Kohler. So, for this year we are asking only for $224 million for the European NATO countries. Adding on Greece and Turkey which are NATO members, but which will be testified to in detail under the Near Eastern——

The Chairman. Does that include Greece and Turkey?

Mr. Kohler. No. I add those on, and the figure then is $559 million.

The Chairman. For those two?

Senator Sparkman. No; the total.

Mr. Kohler. No; the total. $224 million, Mr. Chairman, for the European NATO countries——

Senator **Sparkman**. $224 million, and the total is what again?

Mr. **Kohler**. $559 million for the country program for all NATO countries, including Greece and Turkey.

Now, of that, Greece and Turkey, represent about $335 million, and the European NATO countries only $224 million.

Then we have on top of that regional programs, infrastructure, weapons production and mutual weapons development programs, and NATO headquarters and agencies, totaling $160 million, which brings the grand total for the NATO countries up to $719 million.

This is a reduction of some $280 million over the amount that we requested last year.

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ECONOMIC AID IN EUROPEAN AREA—SPAIN AND YUGOSLAVIA [P. 687]

Mr. **Kohler**. I will mention just briefly that economic aid has practically disappeared in the European area, except for a few small special purpose programs. One of these is with Spain, where we find the program useful to maintain a spirit of cooperation in connection with the use of our jointly operated bases.

The **Chairman**. How much is that?

Mr. **Kohler**. For this year we are reducing from last year when it was $35 million, and this year we are reducing it to only $5 million, which is a political and psychological figure practically, Mr. Chairman.

Yugoslavia we have continued to aid to maintain its independent posture for reasons that have been explained frequently to this Committee.

The **Chairman**. How large is that?

Mr. **Kohler**. For $3.8 million.

The **Chairman**. I misunderstood you. Did you reduce Spain to $5 million, or by $5 million?

Mr. **Kohler**. To $5 million.

The **Chairman**. Mr. Marcy thought you said——

Mr. **Marcy**. It says $30 million in the book.

General **Miller**. That is the military program.

Mr. **Kohler**. I am speaking of the economic program.

The **Chairman**. You reduced it from $35 million to $5 million in the economic?

Mr. **Kohler**. That is right.

The **Chairman**. And the military is still $30 million?

General **Miller**. That is right. The Spanish military program is about level with last year.

Senator **Sparkman**. Is that Yugoslavia?

The **Chairman**. No, that is Spain.

Mr. **Kohler**. Yugoslavia for this year we contemplate a technical assistance program of $3.8 million, a very valuable program which, I think, has its influence on the Yugoslav economy, and which enables us to have very many Yugoslav technicians trained here.

In addition, we contemplate a probable DLF loan to Yugoslavia of about $25 million in this fiscal year.

The other programs in the economic side, which is financed out of——

The **Chairman**. What would that loan be for, what type of thing?

Mr. KOHLER. Those are for various—usually industrial—projects which are extremely well-prepared, which are extremely well-presented and justified, and which are almost always paying propositions.

The CHAIRMAN. Has Yugoslavia honored its past loans? Are they current with them?

Mr. KOHLER. They are up with all of their obligations.

The CHAIRMAN. Are they?

Mr. KOHLER. Yes, Mr. Chairman. It is not a problem.

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SUMMARIZATION OF STATEMENT [P. 694]

General MILLER. All materiel programing has been discontinued for France, Germany, Luxembourg, Austria, and the United Kingdom, except for the fulfillment of our commitment to support the THOR IRBM in the U.K.

Each of these countries receives training in a varying degree, although Germany buys most of its own training as well as all of its own materiel.

For Belgium, Italy and the Netherlands, our country materiel programs are sharply reduced this year compared to last year, and are limited to the fulfillment of existing commitments.

All of these countries are benefitting, however, from the F–104 coordinated production program.

Norway and Denmark are continuing to receive substantial materiel aid, and this is primarily associated with aircraft modernization and for the continuation of naval vessel construction under existing cost-sharing arrangements.

For Portugal, military assistance is being continued at about last year's level. This is in support of NATO goals, and is to encourage continued Portuguese cooperation with respect to U.S. base rights in the Azores. These base rights will have to be negotiated at the end of 1962.

The Spanish program stands somewhat apart. Here our primary motivation is to retain Spanish cooperation in the joint use of the base complex built by the United States. This program at $30 million, is substantially at a level with last year's program.

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EXPLANATION OF AND JUSTIFICATION FOR FRENCH PROGRAM [P. 696]

The CHAIRMAN. Let's look at the French program. You have $6,360,000, is that right?

General MILLER. That is right, sir. The French program consists of two things. It consists of $4.4 million, which is the sum we anticipate will be used to pay for the delivery of items programed in prior years. This is the packing, the handling, the transportation.

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General MILLER. There is $1.8 million for training, Senator.

The CHAIRMAN. I know it is not much, but I do not see why we should give the French any money even if it is 20 cents.

PURPOSE IN CONTINUING TRAINING PROGRAM

General **Miller**. We do not think France would put enough money into the project to meet a training standard essential for the proper utilization of this equipment, or at least we are sure that it will be done if we finance it, and we want to be sure that the equipment is used properly to attain its maximum value. That is the purpose really of continuing this kind of training which is technical training on missile systems.

We have one other kind of training, and this is the professional training of professional officers. This is a fairly small program. We invite them to come and participate in some of our professional schools, and it is to our advantage to do this. They probably could not come without an invitation, and they might not come if they only had an invitation and no assistance.

DECREASE IN MAAG STRENGTH IN FRANCE

The **Chairman**. Is it true that the MAAG strength in France is now approximately the same as it was when our military program was about six or seven times as large as it is now?

General **Miller**. Sir, the figures that I have in front of me only go back to 1960, and in that time it has fallen 15 persons. It is now down to 91 people in 1962 proposed.

I would have to go back beyond 1960 to know what it was in prior years, whether it has gone down or up.

The **Chairman**. Where did you get that figure?

The point is that it is a figure that has gone way down from $47 million to $6 million in the actual program today.

Senator **Lausche**. What page are you looking at?

The **Chairman**. Page 55. And your personnel has gone down relatively very little, 106 to 91.

We have decreased it over six times.

VALUE OF BELGIAN TRAINING PROGRAM [P. 698]

The **Chairman**. On page 43 of the book it is indicated that one of the objectives of military assistance to Belgium is to induce an increased Belgian contribution to NATO defense, but the largest item in the Belgian program is for training purposes. Is that the kind of inducement that you have in mind for training?

General **Miller**. No, sir. Training is not necessarily associated directly with an inducement on the part of the Belgians. If we discontinued the aid altogether to Belgium, and this program cuts it down quite a little bit, we think the Belgians would, in effect, discontinue their own efforts to some degree.

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PROCEDURE BY WHICH GERMAN PROGRAM IS ADMINISTERED [P. 700]

The **Chairman**. What is the procedure by which this aid is given? Do we simply send some men there? Is this to pay for our men or do we turn the money over to them for training?

General **Palmer**. They come for courses in our schools.

The **Chairman**. They come to courses in our schools, and this money is for the payment of our schools?

General **Miller**. It reimburses U.S. professional schools for the training of German nationals that we invite. The Army is going to bring four people this year to attend the Command General Staff School at Leavenworth. In addition, they will bring 10 German officers of various ranks to the United States; they will take them around the United States on short tours to places like the Infantry School, and these will be in the association of our people during the time they are here.

The **Chairman**. That is what this program is for?

General **Miller**. That is what this is for.

The Navy is bringing 14 professional people to the Naval Command and Staff School. The Air Force is bringing a total of 87 people. We have quite a few people come.

This is in addition to what the Germans pay for. The Germans at the moment have 155 people here in pilot training, and they are paying for this. In this kind of technical training they do pay for, and of this sum more than half of it or just about half of it will be paid by the Germans out of funds which accumulate for United States use for this purpose.

The net outlay to the United States will be less than $300,000 for this program. We think it is a valuable program.

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COST OF MAINTENANCE OF U.S. FORCES IN GERMANY [P. 702]

The **Chairman**. What do we spend in Germany supporting our own forces? We still have five divisions of our forces we pay for. They refuse to pay for it; is that right? How much does it cost us to maintain our military in Germany?

General **Miller**. I do not have the figures.

Mr. **Kohler**. Mr. Chairman, my recollection of this figure is that it is approximately $325, $350 million a year.

The **Chairman**. I think it is more than that.

Senator **Symington**. For what?

Mr. **Kohler**. As net, as our net cost of our forces. We will check this.

The **Chairman**. Do we have 250,000 people?

General **Miller**. 235,000.

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MODERNIZATION OF DANISH FORCES [P. 704]

The **Chairman**. What is the nature of the large increase in Denmark's program?

General **Miller**. The explanation, sir, is that we are trying to modernize the Danish Forces, and we are modernizing two kinds of forces, Air Forces and Naval Forces, and the Air Force in this program about $30 million of it is for one squadron of F-104-G aircraft. These are to replace F-86-D aircraft, the aircraft that we brought out about the time of Korea, quite old and out of date.

We have three squadrons of these, and this is the first start on modernizing these forces.

The CHAIRMAN. Will we increase our first efforts?

General MILLER. We have no commitment to do so, but we hope in the long run to be able to replace all three of these squadrons with F-104-G's.

The other modernization relates to one ocean escort here, and this is part of the cost-shared program of some time ago. Seven million dollars is part of the U.S. 50-50 share of this vessel.

The CHAIRMAN. I notice the language here says that one reason is to assist in maintaining a willingness to oppose Soviet pressure.

Do you think there is some lack of willingness; are they undecided about their determination to oppose Soviet pressure?

General MILLER. I think if they have no military hardware or if it is old and obsolete they will be considerably less willing, sir.

The CHAIRMAN. Are they able to pay their own way?

General MILLER. Well, it is our judgment they are not able to meet fully the MC-70 requirements which have been levied upon them by NATO.

This is a small country, it is principally agricultural. It has less than 5 million people, and its total GNP is a little over $5 billion.

Now, to finance the kind of a military hardware program that they can contribute to in manpower, and which is desirable in terms of their strategic location, we think is beyond their capabilities. This is why we help today.

The CHAIRMAN. They have a very nice surplus, though, in their budget, do they not? Relatively it is a much better surplus than ours.

General PALMER. I do not think the current economic factors have much to do with the Denmark problem, Senator. This is a case where we are the people who want Denmark to participate in the NATO alliance [deleted] they are not inherently inclined to be very militaristic.

The CHAIRMAN. And in a pinch they would not be very militaristic, would they? They have not been in the past.

General PALMER. Alone they really are not able.

The CHAIRMAN. Yes.

General PALMER. We would like to have that certainly initial grip on the straits there.

The CHAIRMAN. You do not think you are running a danger of imposing equipment on them they are not able to support?

General PALMER. I do not believe there is any record of that, Senator.

General MILLER. No, sir. These people do very well with the equipment they have.

The CHAIRMAN. In the European program, the cut appears to be in the area programs rather than in the country programs. What is the explanation of this?

General MILLER. I do not think your assumption is correct.

The CHAIRMAN. Is it not?

General MILLER. If you will run down the country programs between 1961 and 1962, you take Belgium, $14 million to $4 million; Denmark we have been talking about is one of two programs that increases.

France, $39 million down to $6 million; Italy, $89 million down to $38 million; Netherlands $34 million down to $19 million.

FUNDS FOR ITALY

The **Chairman**. Italy is in very good shape now, too. Why do we put so much money in Italy?

General **Miller**. The Italian program is substantially for the follow-on of the things we have already started, things that we feel it is wise to go ahead and complete.

The principal item in the Italian program is $19 million for missiles, and it is composed of the following things, $2.5 million of it is associated with the radar improvement program called the NIKE high-power, which goes with the NIKE missile system we have already given to the country.

If you were to use the more effective Hercules type missiles you must have a better radar system, and we won't really get the benefit of the other equipment we put in there, we have already put in there, unless we go ahead and do this.

We have had a project also with the Italians whereby if they would convert their vessels and buy the launching equipment, we would give them the equipment and we would give them the missiles that went with the equipment, and for this reason you will find the Hawk and Terrier missiles, and these, in total, come to $3.8 million, and the spares for these missiles involve another $2.5 million.

As you know, a third feature is that we have put two squadrons of intermediate-range ballistic missiles in Italy, the Jupiter, and we have contracted in prior years to do this, so that the follow-on for Jupiter in this year is another $6.5 million.

This involves spare parts, modifications, and combat training launch missiles. This is, by far, the biggest single item in this program.

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FUNCTIONS OF MAAG PERSONNEL IN SPAIN [P. 705]

General **Miller**. Now, you take a country like Spain, which is not really sophisticated in a military sense. The last war they fought was their own revolution a long time ago, and they are not really current on modern military methods and things like this, so the great function of the American people in this MAAG is to work directly and talk about modern military methods with the Spaniards.

We also work with them in teaching them proper logistics and maintenance procedures.

If you went to the Torrejon Air Base you would find a squadron of F-86's on the base, but you would find an American captain back helping them with the supply business, to tell you the truth, because if you did not, the cost would be much greater.

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TOTAL ASSISTANCE TO NATO

Senator **Wiley**. What is the total dollar amount you are putting into NATO?

Mr. Kohler. The total over-all amount is $719 million, Senator. Of that $224 million is for the European NATO countries.

And $335 million is for Greece and Turkey which are the more dependent countries, and $160 million is for the regional programs, infrastructure and other regional programs.

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Senator Wiley. How many forces have we got in Europe other than Germany?

General Miller. We have about 100,000 people outside of Germany in Europe. In France and the U.K. alone this is something like 70,000 to 75,000. All of these are not necessarily in this program because some of them are attachés and people like that.

ASSISTANCE TO NON-NATO COUNTRIES [P. 706]

Senator Wiley. How much aid is going to the European nations outside of NATO?

Mr. Kohler. I do not believe I quite understood the question, sir.

Senator Wiley. My first question related to NATO assistance. You also furnish materiel to nations not included in NATO, do you not?

Mr. Kohler. The only military program outside of NATO is Spain which is about $30 million. Then there are small economic programs in Spain and in Yugoslavia.

General Miller. There is a program for Austria.

Mr. Kohler. And a small training program, too, for Austria.

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PORTUGUESE AID NOT RELATED TO THE QUESTION OF ANGOLA AND NATO [P. 708]

Senator Sparkman. I want to ask you about Portugal. As I understand it, the only two countries that you are increasing aid to in Europe are Portugal and Denmark, is that correct?

General Miller. No, sir. Portugal is just about level, I think.

Senator Sparkman. What was the other country?

General Miller. Portugal is $25 million and $25 million.

Senator Sparkman. What is the other country?

General Miller. The other country is the U.K. which goes up $5 million.

Senator Sparkman. Yes. One of you made reference to it a few moments ago.

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PORTUGUESE ROLE IN NATO AND U.S. BASE ARRANGEMENTS IN THE AZORES [P. 709]

Senator Sparkman. Of course, the statement on page 3 of General Miller's prepared statement before us is what suggested this to me, and I am sorry I thought it was increased, but it says that it is continued for Portugal, "military assistance is being continued in support of NATO goals and to encourage continued Portuguese cooperation with respect to U.S. base rights in the Azores. The latter feature becomes of increased importance in light of current consideration of Portuguese African policies in the United Nations." I suppose that is Angola, is it not, and it also says in consideration of the fact of the current agreement expires in December 1962.

Now, it looks to me like according to General Miller's testimony it does have a definite bearing. However, I am not questioning it, because I certainly do not think we ought to be doing it just because of the difference on the Angola or any other policy like that. I do think the Azores bases are important; and it seems to me that the argument that our aid is being used for antisubmarine warfare and a far projected base in that area is good.

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NATO EXPENSES: INFRASTRUCTURE AND DIRECT PROGRAMS [P. 711]

Senator SYMINGTON. On page 4 you say that military assistance for Europe is $224 million, the total for NATO is $559 million, but actually the NATO total is $719 million. What is the reason between $559 million and $719 million?

Mr. KOHLER. Greece, Turkey and the regional programs. The $559 million represents the direct programs with individual countries.

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AIRCRAFT PROGRAM [P. 715]

Senator SYMINGTON. In the second paragraph on page 2, you talk about the 104 aircraft—5 for Norway and 2 for Denmark. Who pays for those?

General MILLER. We pay for those. The United States will pay for it from U.S. production.

Senator SYMINGTON. Are these the final ones we are going to pay for?

General MILLER. No, sir. We would hope that this program can continue in future years, although we have no commitment to support it as a commitment.

Senator SYMINGTON. Didn't we promise some of these countries more F-104-G's than they are getting.

General MILLER. No, sir. These two countries are not in the production consortium.

Senator SYMINGTON. I am not talking necessarily about these two countries. Didn't we lay out a program with some of these countries?

General MILLER. Yes we did. We did military planning with one nation, and the military planning that the nation got hold of was more than we finally contributed to the program.

Senator SYMINGTON. What nation was that?

General MILLER. That was The Netherlands.

Senator SYMINGTON. How many did we say we planned to give them?

General MILLER. Our military plan called for 118, sir. This was, I would like to say this is, U.S. unilateral planning. We did not make the plan with them. We showed it to them after we made it.

Senator SYMINGTON. Did we tell them we were going to give them 118?

General MILLER. We did not, sir.

Senator SYMINGTON. They never knew that?

General MILLER. They saw our plan which said this was our plan, but they read a lot more into it, and they did not read the fine print.

Senator SYMINGTON. I am only asking.

General MILLER. I am only telling you. We did not make a commitment to give them 118.

Senator SYMINGTON. What did they get?

General MILLER. Twenty-five.

Senator SYMINGTON. Did they say they did a lot of work based on the fact they were going to get 118?

General MILLER. I have not heard them make this allegation, and I think they would have trouble proving it.

Senator SYMINGTON. I have several more questions.

On this Thor program, have we still this double control?

General MILLER. Yes, sir. This is a two-key program in the control console.

Senator SYMINGTON. And you are satisfied that will work all right?

General MILLER. Yes, sir.

Senator SYMINGTON. In Italy, you have a certain number of Jupiters?

General MILLER. Yes, sir. We are putting 30 Jupiters in Italy, sir.

Senator SYMINGTON. Are they there yet?

General MILLER. Yes, sir.

Senator SYMINGTON. Are they operational?

General MILLER. I would say the last site or two may or may not be. But it is any day, probably by the middle of July, that the last site will be operational.

SEPARATION OF U.S. BASE RIGHTS AND NATO FROM THE ANGOLA QUESTION

Senator SYMINGTON. Thank you. On these base rights in the Azores. We are trying to get cooperation from Portugal on the base rights in the Azores. What is the status of those bases?

General MILLER. The base rights will expire at the end of next year, sir, and an agreement will have to be re-negotiated.

Senator SYMINGTON. We had a vote in the U.N. that is not going to help us a lot in that negotiation. I am not criticizing the vote.

What are we going to do about the bases with respect to military assistance? Are we going to give them enough to make up for that vote?

Mr. KOHLER. Senator, I might talk to that, and I did suggest it to Senator Sparkman, that I am very glad to say that despite our somewhat different views as to the policies that the Portuguese might pursue with respect to their African territories, the Portuguese have not related this difference either to their full participation in NATO or to the question of our base rights in the Azores.

Senator SYMINGTON. They have not?

Mr. KOHLER. They have not.

Senator SYMINGTON. So you do not think that will affect the negotiations for the Azores bases?

Mr. Kohler. Senator, I would say, if I may go off the record——

The Chairman. Yes, off the record.

[Discussion off the record.]

Senator Symington. Those bases are very important to us, are they not?

Mr. Kohler. They are, sir.

DECLINING COST OF MILITARY PROGRAM FOR EUROPE

Senator Symington. The basis of your defense of this military program for Europe is that it is still necessary, but you are glad to say it is going down in price. Doesn't that about sum it up?

Mr. Kohler. I think that is right, sir.

Senator Symington. And the total now is down from $3 billion, talking about NATO, to less than $1 billion?

Mr. Kohler. That is right, sir.

Senator Symington. About three-quarters of a billion, is that right?

Mr. Kohler. That is right, sir.

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MISSILE TRAINING RANGE [P. 717]

Senator Symington. It is noted on page 88 of the presentation book that the European area program component of $4.9 million is to permit advanced funding and the purchase of selected NIKE missile components for a NATO missile training range on the Island of Crete.

When these funds are reimbursed where will the reimbursement go?

General Miller. I would have to ask the financial people, sir.

Let me refer the question to Mr. Shaw.

Mr. Shaw. I am Markley Shaw, the Military Assistance Controller.

If those funds are reimbursed by the Military Assistance Program, it will simply reduce future U.S. contributions to the infrastructure Program by the amount of the reimbursement that the other countries would make under infrastructure.

PRACTICALITY OF A NIKE MISSILE TRAINING BASE

Senator Symington. Thank you. From a military standpoint, a NIKE missile training base on the Island of Crete is about as worthless an investment as we could make. I specifically accept NIKE-ZEUS, but the idea we are putting any NIKE-AJAX or NIKE-HERCULES—members of the Armed Services Committee have been opposed to both, as well as the BOMARC; and I must say, with the distances so close over there, it would seem a great waste of money.

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NUMBER OF U.S. MILITARY PERSONNEL IN EUROPE

Senator Symington. Thank you, General. How many troops have we abroad now?

General **Palmer**. Troops?

Senator **Symington**. Yes. How many military personnel have we in the NATO countries, do you know?

General **Miller**. In Europe the total, sir, including attachés and people like that, is about 340,000.

Senator **Symington**. 340,000. Are those people in uniform?

General **Miller**. That is right.

Senator **Symington**. Does that include Air Force and Navy as well as Army and Marine Corps?

General **Miller**. Yes, sir.

Mr. **Chairman**. Does that include dependents?

General **Miller**. No, sir.

Senator **Symington**. That was my next question.

General **Miller**. I do not have that figure.

Senator **Symington**. Is it as much as 340,000?

General **Miller**. I do not know.

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[At 12:25 p.m. the committee recessed, to reconvene at 2:30 p.m. the same day.]

Afternoon Session

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STATEMENT OF REAR ADMIRAL E. B. GRANTHAM, JR., DIRECTOR, NEAR EAST, SOUTH ASIA AND AFRICAN REGION, OFFICE OF ASSISTANT SECRETARY OF DEFENSE (INTERNATIONAL SECURITY AFFAIRS), ACCOMPANIED BY GENERAL W. B. PALMER, DIRECTOR OF MILITARY ASSISTANCE, DEPARTMENT OF DEFENSE; HONORABLE PHILLIPS TALBOT, ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS; HENRY J. TASCA, DEPUTY ASSISTANT SECRETARY FOR AFRICAN AFFAIRS; AND A. GUY HOPE, OFFICE DIRECTOR, NEAR EASTERN AND SOUTH ASIAN REGIONAL AFFAIRS, BUREAU OF NEAR EASTERN AND SOUTH ASIAN AFFAIRS, DEPARTMENT OF STATE

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COMMITTEE ON NATIONAL UNION IN TURKEY [P. 730]

The **Chairman**. I have just been handed a clipping here from Turkey which says the members of the Turkish Armed Forces, particularly the air force apparently have taken over control of the National Union Committee that has been ruling Turkey since the overthrow of the Menderes government. Do you know anything about that situation?

Admiral **Grantham**. I know, Mr. Chairman, that there has been some disagreement in the Committee of National Union. I do not know the extent of it.

The concrete evidence we have is that the Chief of Staff of the Turkish Air Force had been forced to resign, and due to protests of other members, other military members, he was reinstated.

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CONTRIBUTION OF MILITARY AID TO ECONOMIC STABILITY [P. 730]

The CHAIRMAN. Admiral Grantham, you say on page 2, "In fact, Soviet behavior toward some of these countries indicates that the area is high on the Communist schedule of conquest."

The President's impression, after speaking with Khrushchev, was that this was not a very high priority, and he said, for example, with regard to Iran, Khrushchev said, well, he was not doing a thing about Iran, that it was going to collapse due to internal weakness, and that he was not--he had apparently no intention of exerting any pressure on it, he did not think he had to.

There have been signs of great weakness. Do you think the military aid to this country will strengthen the government?

Admiral GRANTHAM. Very definitely. I think it has strengthened it, Mr. Chairman.

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JUSTIFICATION OF MILITARY ASSISTANCE TO IRAN [P. 732]

The CHAIRMAN. How many have they in the regular army?

Admiral GRANTHAM. Their regular army?

Mr. TALBOT. In Iran, sir?

The CHAIRMAN. Yes.

Mr. TALBOT. 200,000.

The CHAIRMAN. 200,000.

Mr. TALBOT. The total active military strength is 220,550. This includes internal security forces. This is the gendarmerie of 25,800.

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The CHAIRMAN. The only point is that these big military expenditures do not contribute to political stability or economic growth. On the contrary, they contribute to the creation of a military dictatorship, and while you may think a military dictatorship is the best kind to have, there is some doubt of that.

We have made this point. The countries where there has been the biggest military programs all seem to turn up with a military dictatorship. Maybe this is a good thing. If it is, we ought to discuss it, be persuaded that it is. There has been a feeling that it is not what we are aiming at. But we have achieved military dictatorships in Korea, in Taiwan, in Pakistan, Vietnam, Turkey.

Senator GORE. Pakistan.

The CHAIRMAN. I mentioned Pakistan. Sudan, we were not responsible for that.

Senator GORE. Did you mention Thailand?

The CHAIRMAN. It was not a very big military program in there, but they have it there. I do not know whether there is a relationship there or not, but I do not think this is a good justification.

There ought to be a better justification than that it contributes to political stability and strength of the country.

Admiral GRANTHAM. I do have a little better justification.

The CHAIRMAN. That is what I want to hear.

Admiral GRANTHAM. These forces can effectively resist an incursion. While unable to take an aggressive action, the terrain of Iran in their northwest, is such that they can defend it against an incursion. It would take an awfully big army to come marching in there and take over that country on the ground.

Now, this begs the question of an attack by air, but you do not occupy a country by air, as a rule. It would be awfully hard to do.

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INCREASE IN PROGRAM IN GREECE FOR AIRCRAFT [P. 734]

The CHAIRMAN. Consider Greece; why is it that program increased by $35 million?

Admiral GRANTHAM. The principal item, sir, is the acquisition of F-104 aircraft.

The CHAIRMAN. F-104. Those are the——

Admiral GRANTHAM. High-performance interceptors.

The CHAIRMAN. They are the ones not quite yet obsolete. They have aleady been produced, I take it?

Admiral GRANTHAM. Yes, sir.

The CHAIRMAN. How fast do they go?

Admiral GRANTHAM. Mach 2.

The CHAIRMAN. Mach 2. A total of $129 million for Greece. That is quite a lot. That is expensive. You have 180 tanks, 36 F-104's.

Admiral GRANTHAM. Yes, sir.

The CHAIRMAN. What is the SS missile down there——

Admiral GRANTHAM. That is an anti-tank weapon, Mr. Chairman.

The CHAIRMAN. Anti-tank.

Senator SYMINGTON. Will the Chair yield?

The CHAIRMAN. Yes.

Senator SYMINGTON. On the F-104, admiral, that is the short-range high-altitude nuclear capacity delivering at low level Mach 2 fighter?

Admiral GRANTHAM. Yes, sir.

Senator SYMINGTON. We have a lot of our own fighters in Turkey, and around Europe. This is an executive session. We know the problems of training people in these countries to use that type and character of equipment, to maintain it. We know the problem of getting off the ground in the missile age, especially as the ranges over there are so short.

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BALANCE BETWEEN ECONOMIC AND MILITARY REQUIREMENTS [P. 736]

Senator SYMINGTON. Mr. Chairman, may I comment?

The CHAIRMAN. Yes.

Senator SYMINGTON. The question is a balance between the military and economic, but the question is also a balance between our military and their military.

We have heard a lot about Tripwire and Shield, and I am one who believes we should have a strong conventional force in Europe, be able to give them a bloody nose if they attack, instead of automatically reverting to nuclear weapons.

When I was in Berlin the year before last, the commander of our Berlin forces told me our troops were facing the Russians with World War I weapons.

I said, "Wait a minute, you don't mean World War I, you mean World War II."

He said, "I mean World War I."

Therefore, when you talk about giving supersonic Mach 2 fighters to some other countries as against modernizing our Army and giving those young Americans over there the best chance, from the standpoint of what is best for the free world I would choose the latter. But if it is necessary we can afford both.

If it is degree of balance, I say balance is best served by giving our troops over there, now, everything in the way of modernity. You give it to the men on submarines; you give it to your airmen. Why not to the ground forces?

Therefore, if it comes to balancing the money I would rather see them get the economic aid.

Thank you, Mr. Chairman.

General **PALMER**. Senator, may I make a response?

The **CHAIRMAN**. Yes, General.

General **PALMER**. The F-104-G's going to Greece are intended as fighter-interceptors and as reconnaissance configurations. There are 18 of the reconnaissance types. They are replacing the F-84's which are decidedly obsolete, and actually harder to maintain than the F-104's. They are a SHAFE requirement. We are conforming to that.

Senator **SYMINGTON**. I understand that. It is also designed, if it is an F-104-G, is it——

General **PALMER**. F-104-G.

Senator **SYMINGTON**. Yes. It is designed for a specific mission primarily, that particular plane. Its cost is what, about $2.5 million, is it not? $2.4 million?

General **PALMER**. A million and a half, I believe. In fact, I think $1.4 million.

Senator **SYMINGTON**. I think you are low.

In any case, it is that type and character of equipment given to a foreign country as against giving our own troops more modern equipment. Economic aid is another matter, especially to the undeveloped countries.

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QUEST FOR THE MINDS OF MEN [P. 738]

Senator **GORE**. Mr. Chairman, this has a broader, and even broader complication.

As I understand it, we are in a contest for the allegiance of mankind, the minds and the hearts of men.

The people of South America and of the emerging continent of Africa are looking, perhaps discriminatively. If they see that American aid, not once, not twice, but repeatedly brings an imposition of a military dictatorship, I am not sure that this increases the appeal of the free world concept.

How do we win the hearts and the allegiance of mankind to the concept of freedom when the fruits of our aid in one instance after another throughout this tragic arc to which we are referring has brought us suppression of all semblance of freedom and the dignity of man?

True, you can in the short-run bring more efficiency and more regimentation and more control by dictatorial means.

Democracy and freedom have never been proclaimed in the short run as the most efficient and effective way of life. But as Churchill said, in the long run it is the least effective, except all other kinds.

Now, Mr. Chairman, I think that we cannot look at this country-by-country. We must look at it on the broad scale, and that is one reason why I have briefly in public session, and more in the confines of our executive session, raised this question of continuing aid to military dictatorships.

It seems to me that sometime we must take stock, and I am sure that the people whose hearts we are trying to win are daily taking stock of the fruits of military aid.

Thank you, Mr. Chairman.

Admiral **GRANTHAM**. May I make a comment on that?

The **CHAIRMAN**. Yes, Admiral.

Admiral **GRANTHAM**. Senator Gore's premise is that military assistance is responsible for the development of military dictatorships. It is not necessarily true, sir.

You might have the same development in the total absence of any military assistance from the United States.

Senator **GORE**. Well, Admiral, I concede that that might be. But it happens that in South Korea, the aid, the military aid, the very forces which General Magruder was supposed to command, were seized and utilized to pull the coup.

The same was true in Turkey. One of the tragic things in that area is in Thailand, a people that have never been a colony.

I have been there when their parliament was in session, I have seen there the opposition party in Thailand speak, and speak with dignity and with bearing, and critically of the existing regime.

Marshal Sarit abolishes it all, and he uses American military aid.

I will not—the chairman of the committee has already named them from the Mediterranean to the Korean Sea. So I agree with you that it may have occurred without it, but it certainly has occurred with it.

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MILITARY PROGRAMS IN IRAN [P. 742]

The **CHAIRMAN**. Returning to the military program in Asia, I meant to ask General Palmer about the Iranian program. You stated, I believe, it was mostly for rehabilitation of existing equipment. I notice there is $25 million there, almost half of it for construction. What kind of construction is there?

General **PALMER**. Construction of troop facilities. I believe those are for the frontier. Is that not correct, Admiral Grantham?

Admiral **GRANTHAM**. That is correct.

The **CHAIRMAN**. What kind of facilities? Barracks?

Admiral **GRANTHAM**. I can tell you very specifically about that. We have an installation for a tank battalion, for instance. This means housing—barracks housing. And the necessary offices and training establishment associated with it.

The **CHAIRMAN**. It is an army camp, in other words?

Admiral **Grantham**. That is what it is.

The **Chairman**. Like Camp Chaffee.

Admiral **Grantham**. That is right, that type of thing—except for 12 small hangars needed by the gendarmerie.

The **Chairman**. Permanent masonry construction or temporary wood?

Admiral **Grantham**. Mr. Chairman, it is not wooden construction. It is something else—masonry.

The **Chairman**. Air conditioned?

Admiral **Grantham**. No sir.

The **Chairman**. Why? Aren't you going to provide them nice quarters, as long as you are building them there?

Admiral **Grantham**. Well, Mr. Chairman they are a whole lot better than the hovels they did have, and the total absence of quarters in some cases. But they are not luxurious by any means, and they are not up to the standard we would build in this country. It is an improvement for them. And is needed by them.

MILITARY PROGRAM IN AFGHANISTAN

The **Chairman**. In the Afghanistan program, you state on page 119: "The purpose. To provide a pro-Western orientation to the Afghanistan military establishment." I thought this country received nearly all of its military assistance from Russia.

Admiral **Grantham**. The only thing we have with them is a training program, there are 54 Afghans involved, 52 of them being air trainees, 2 army.

The **Chairman**. Don't you think you are overstating the case a little to think with $1.3 million you are going to give them a pro-Western orientation?

Admiral **Grantham**. It is a try in that direction, sir—not to abandon the field entirely to the Soviets.

The **Chairman**. It is just a very weak try.

Admiral **Grantham**. It is the best we can do. You are right, it is weak because their government has announced during the month of May that upon conclusion of the training now in effect, they will not permit students to come to this country any more, because of the expense to them and the fact that they want to keep their people at home, and train them there.

The **Chairman**. There is really not much you can do about it, is there?

Senator **Lausche**. What amount is involved?

The **Chairman**. One million, three hundred thirteen thousand. It is not very much. It says to provide them with a pro-Western orientation. I thought that was a little more ambitious than the amount would seem to be designed to achieve.

General **Palmer**. May I explain these objectives in the presentation book?

These are taken out of national policy documents. They are not just the views of the Defense Department. This objective is stated in a national policy document. All we can now do to achieve it is this little bit. This is a case where our reach is longer than our grasp.

The **Chairman**. You put it very well. I have been trying to say the same thing. What we are able to do and actually are doing is not commensurate with, nor well designed to achieve, these objectives. I don't object to this. It just seems to me a rather ambitious way to state a tiny little program like this. But you explain it. You didn't put it in there just to describe this program. This is a generalized statement that comes from NSC.

General **Palmer**. All these NSC documents have been around through the mill.

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HARM OF OVEREMPHASIS ON MILITARY EXPENDITURES [P. 743]

Admiral **Grantham**. We are back again with the assumption if we had no military program, that their military budgets would decrease. This is not necessarily true, sir. If we had no military assistance program, it is highly likely that these countries would develop even more of their natural resources to the support of a military establishment of about the same size they have now, and that instead of getting an alleviation of the economic situation, you would get a deterioration.

On the other hand, in Turkey, for instance, we have been guiding Turkey toward a reduction of force that would make military sense while relieving the budget somewhat. We are thoroughly alive to this. But we firmly believe that they are real military needs that ought to be met if we are going to successfully keep Greece in a position to forestall a Bulgarian venture of some kind, for instance.

General **Palmer**. Basically, this is one of the vital strategic areas of the Atlantic community. The Aegean and the Turkish Straits are simply vital. I am not the strategical expert on this matter.

The **Chairman**. I wouldn't question that for a minute. I think what really maintains its security, is the deterrence of NATO rather than the modern weapons of the Greek army. I agree it is vital. I don't think that is quite responsive to the question I am trying to put to you.

Let's take Iran as an example.

The point the Admiral makes is seen in Iran.

You said that in 1950 the army was a poorly trained ill equipped archaic force of 84,000. Since we have gone in there and put $530 million of our own money, plus whatever they put in, they now have an army of 200,000, which looks very much to me as if it is built up because of what we did.

SITUATION IN MIDDLE EAST IN MID-1958

Admiral **Grantham**. Mr. Chairman, your analysis is correct in part. If you recall the circumstances that existed in July 1958 in the Middle East, when we found it necessary to support the Government of Lebanon by landing troops there.

At this time the Government of the United States was concerned about the security of this general area. So as a result of that, we agreed with—we proposed to the Government of Iran that they bring their existing military units up to strength, and we would assist them in so doing. And we set about so doing it very quick. We increased their military assistance advisory group to somewhere in the neighborhood of 700 people, from about 200. We really went to work on this thing. And the idea was to achieve a military stability and a military force there that would forestall adventures of her neighbors, as well as the Soviet programs. We wanted to get stability in that area. That was the whole effort. And ever since this time, we have been engaged in the same exercise.

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SHIFT IN EMPHASIS OF IRAN PROGRAM [P. 747]

Mr. TALBOT. It seems to me that there is visible within this program now a shift in our attitude toward Iran. If I may say so, in recent years, I think the General would agree, in response to Iran's requests for military assistance we have provided substantial military assistance but not everything they requested.

The clear trend this year, if I may suggest it, sir, is to hold the line on direct military assistance, to reduce the funds which come in under supporting assistance, and to hold out to Iran the prospect that a well developed plan will make Iran eligible for more developmental lending. I think the Government of Iran, within the last month, has got the message that U.S. concern over the coming period will be less with satisfying the Shah's demands for military modernization and growth, and more on the question of broadening the effectiveness of the political base, and increasing the economic and social progress.

The CHAIRMAN. I would say that this is the proper policy to pursue.

Mr. TALBOT. Yes, sir, we are trying hard.

Senator LAUSCHE. I would just like to ask one question in connection with what the chairman asked.

STUDIES MADE REEVALUATING THE MILITARY ASSISTANCE PROGRAM

General Palmer, you mentioned that many studies have been made by advisory committees on this subject, and they have not come up with recommendations that would differ from what has been done. Do you have in mind what studies they were, and if you do, would you identify some of them?

General PALMER. The one that immediately comes to mind is the study made by the Draper Committee 2 years ago, very largely, I believe, because of a letter which was written and signed by a number of members of this committee asking the President to reexamine the military assistance program. I was not in Washington at the time that study was made. But I read the report very carefully.

There has been a study made this past winter by Mr. Marshall. I don't believe his report has been released. I do know that it offers no hope of a great reduction.

Senator LAUSCHE. At whose request was Marshall's study made?

General PALMER. By the President, Secretary of State and Defense, I believe. But this report has not eventuated in any outcome that I have any liberty to discuss at all. I do know the general tenor of it. And it was rather—rather strongly supported about the same position as the Draper Committee.

So that these are two that were in my mind at the moment I spoke.

Senator **LAUSCHE**. If you have any others that will come to your attention having been made, let us say, in the last 5 or 6 years, I would like to have them included into the record.

General **PALMER**. Very well, sir.

INQUIRY CONCERNING RECENT INTELLIGENCE REPORTS PUBLISHED ABROAD [PP. 751–753]

Senator **GORE**. Mr. Secretary, before proceeding with the military assistance examination, I would like to inquire about the so-called intelligence reports, of the disposition of German forces, West German, NATO forces, which have been published now in Turkey and Italy and I believe in Great Britain. Are you aware of that?

Mr. **TALBOT**. I have seen one reference to this, yes sir. I know nothing of the circumstances, I regret to say. I would be very glad to get what information we have available on it and supply that for the record.

Senator **GORE**. It doesn't particularly bear here. But it is disturbing, and of course it may be Communist forgeries. But at least it is a matter of concern and interest. And if you will supply some reports that will be fine.

Mr. **TALBOT**. Yes sir, be very glad to.

Senator **GORE**. Senator Lausche and I agreed, when we recessed for the roll call a few moments ago, that we were indeed wrestling a dilemma here that had at least two horns. And as the General says, it is not something which you can settle or which this committee can settle. It is Government policy of the highest order.

Now military assistance begins in Africa, and it is to that that I wish to direct some inquiries.

Why does Emperor Haile Selassie, in Ethiopia, need a squadron of jet fighters?

Admiral **GRANTHAM**. Internal security purposes. Close support of armed ground forces.

Senator **GORE**. Well, Admiral, I think you would have to justify it in more detail than that. You talk about internal security. And the use of jet fighters in support of ground force operations. What kind of opposition would likely occur in the bush? What kind of uprising in the bush country of Ethiopia would require jet fighters? For ground support. And what kind of ground support could they supply?

REASON FOR USE OF JET FIGHTERS IN ETHIOPIA

Admiral **GRANTHAM**. They have bandits in that country that travel in groups, and they are very dangerous ones. You get a raid on a farm or something. It is not a country where you can cross the country on the surface quickly from point to point. If you have a few of these fighters, you could take off, strafe the bandit area, and suppress this kind of disorder.

Senator **GORE**. Well of course, this could be done in piper cubs as well.

Admiral **Grantham**. You are right, sir.

Senator **Gore**. Perhaps better.

Admiral **Grantham**. You are right, sir. But now we get to another point. That is, this is a part of the price that we are paying for the military base there, the communications.

Senator **Gore**. All right. You should have told me that in the first instance.

Admiral **Grantham**. I am not avoiding it. I am getting to it. Now, you are right, that any kind of an aircraft could do the job, and maybe some better than this one. But this one was available.

Senator **Symington**. What plane is used?

Admiral **Grantham**. F-86. This one was available. It was excess to the needs of the United States. It cost maybe nothing. We paid for the rehabilitation of the aircraft and turned it over to them. It is a cheap way of solving what in part was a political problem.

Now the problem here is the Emperor, at this time, when we agreed to it. And it was done under circumstances which the best political judgment we had said if you want that place, you better pay up, and this is the price.

Senator **Gore**. In other words, we gave Haile Selassie a squadron of jet planes to assuage his own pride or ego or desire for prestige.

Admiral **Grantham**. In part, sir, in big part.

Senator **Gore**. Well, if you had not told me about it, I was going to insist on you telling me. But now that you have told me, maybe we will just go to something else.

General **Palmer**. Senator Gore, I would like to amend that just a little bit. We gave it to him in order to retain our base rights at Asmara. It was perhaps, consideration of prestige that led him to ask for it.

Senator **Gore**. Well, I am not prepared to admit that this was necessary to obtain this base.

SITUATION IN ETHIOPIA

Mr. **Tasca**. Senator Gore, may I say a word on this. The Emperor, as some of you know, has been a very difficult man to deal with when it comes to this kind of a problem. He has felt he wanted to build up his armed forces, and having an air force for his country, being the oldest independent country in Africa, and being a man very proud in terms of the kind of position and prestige Ethiopia has in the world, he felt that he had to have at least some aircraft. And in order to maintain this base, it is absolutely necessary, because he was absolutely convinced that that is what he was going to have to have. And the Government of Ethiopia, as you know, really is the Emperor and some of his military advisers. And there wasn't any other way that we could have maintained—gotten hold of this base.

On the other hand, I would also like to add Ethiopia has been very helpful to us in other areas. In Korea they sent some troops out there, and now they have some troops down in the Congo, and they are being very helpful to us in the Congo.

Senator **Gore**. Well, with the explanation, the fact still is that we give Haile Selassie a squadron of jet fighters for internal security so-called, but actually to please his vanity.

That is what I say, isn't it Admiral?

Admiral **Grantham**. I would like to amend it to say to accommodate him which was important if we were to retain our useful relationship with his country.

Senator **Gore**. Well, that I cannot refute. But I would say if that were necessary, then we are rather poor traders.

Admiral **Grantham**. I know blackmail is a dirty word, but let's face it. This isn't the only place we do it.

Senator **Church**. It certainly is not.

Admiral **Grantham**. We are paying for what we are getting. If it is worth it, we pay it. If it is not, let's not pay it.

PROVISION OF MECHANICS AND PILOTS FOR F-86'S

Senator **Gore**. Well, now, who furnishes the mechanics to keep these F-86 planes flying?

Admiral **Grantham**. The Swedes furnish the operational instruction. We furnished an air section of the MAAG which kept them advised as to how to support the aircraft. And in combination, we trained enough of the Ethiopians so that they are now phasing out the Swedes, and this will leave the Ethiopians, exercising the operational command, and we will continue to help them with their logistics problem connected with how to keep the aircraft operating.

Senator **Gore**. In helping them with their logistic problem, we furnish the parts, do we not?

Admiral **Grantham**. That is right, yes sir.

Senator **Gore**. And we train their mechanics, and will continue to supervise. And if they do not have the aptitude, we provide it.

Admiral **Grantham**. They are acquiring the aptitude, and we should be able to phase out our own personnel to a pretty minimum figure in, I would say, the next couple of years. We will never be completely out, so long as we have a military program there—we have to have some people there to see it work. But we can get to a pretty low figure.

Senator **Gore**. Are the pilots Ethiopian?

Admiral **Grantham**. Yes sir.

MILITARY AID TO MALI

Senator **Gore**. Well here again is a nation with a literacy rate of 4 percent. And we furnish them jet fighters. And now, though it is not in the book, I understand that you are proposing military aid to Mali. Is that correct?

Aldmiral **Grantham**. Yes sir.

Senator **Gore**. A parachute squadron?

Admiral **Grantham**. No sir, I would like to tell you very precisely what that is.

The Mali Government came to us and asked us to help them with military equipment, and they had a shopping list. Their Minister of Defense came here to Washington. We examined the shopping list. In coordination with the Department of State we decided that this—this was State's judgment—we should not get into the business of furnishing munitions or the actual weapons to Mali, but we would help them as much as we could. We would not abandon the scene entirely to the Soviet bloc, or the Communist bloc.

We came up finally with a program estimated now at about $650,000 of material which would be uniforms for 200 officers; enlisted men's uniforms, 3,800; parachutes and personal equipment for one company of 200 men, light signal equipment for a parachute company, miscellaneous engineering equipment, such as axes, shovels; picks, entrenching tools, saws. Twenty ambulances. Field kitchens for 3,800 men. This completed the list.

We also offered and they agreed to two parachute mobile training teams, one engineering mobile training team, one signal mobile training team, one ordnance mobile training team. And the military officer who came here, Iketa, said that they were very partial to equipment of the U.S. variety because they had become familiar with it through the French. They felt very pro-Western oriented in the ranks of the army, and they wished that we would not refuse to send some people there and to get into this program in any way we could.

The political aspects of this of course I would defer to Mr. Talbot on. But this is really political. We have no military stake in it, we are not going to get anything out of it militarily.

OTHER AFRICAN PROGRAMS

Senator **Church**. Would the Senator yield. Was the offer of the military equipment that you alluded to, Admiral, made upon the instruction of the State Department? I understand that the Minister of Defense, who is probably the most prominent Marxist, and most closely identified with the Communist bloc countries in their philosophy, was the one who came here. Mali is of course a Marxist country, and have closely tied in with both Guinea and Ghana. And what we are doing, supplying military equipment to this country, parachute companies and other military supplies, to build up their military capacity, is quite beyond my comprehension.

I can see some merit in some kinds of programs that might help to induce Mali to turn its orientation westward, but to build up a military capacity in this country is just hard for me to understand.

Admiral **Grantham**. Senator Church, would you have us abandon ship?

Senator **Church**. Abandon ship? Have you been on that ship? Why do they need a parachute company in Mali? Where are they going to use a parachute company? Against whom are they going to turn this military capacity.

Admiral **Grantham**. Against their own people, sir, tribes.

MILITARY BUILDUP IN AFRICA

Senator **Church**. I don't believe it, not for a moment. From my own knowledge, everyone has been concerned about the military buildup of Guinea. Mali is the closest ally of Guinea. Liberia was asking us to finance the expansion of its armed forces by about six or seven battalions because they felt threatened by the military buildup in Guinea and Mali. Why are we using American money to assist in that military buildup? It just doesn't seem to make any sense to me.

Admiral **Grantham**. That is a political judgment. I think I should ask Mr. Tasca.

Senator **Gore**. Before he does, let me follow up on this.

We are furnishing parachutes, for a parachute squadron. Do they have planes? Parachutes are no good without planes. Do they have planes for a parachute squadron?

Admiral **Grantham**. They have a few aircraft. I can give you their inventory.

Senator **Gore**. Do they have aircraft for a parachute squadron?

Admiral **Grantham**. I am not sure of the type. But let me—I have a lot of information in here—if you would permit Mr. Tasca to answer the other piece of the question, I will be looking for the answer to yours.

Senator **Gore**. I will tell you my follow up question is if whether they now have Russian planes for the parachute squadrons, or whether after we train them, and I don't know how we are going to train them without planes, are we then to furnish planes? These are my follow ups. Were you desiring to make a statement now?

Mr. **Tasca**. Yes sir. First of all, let me say that it is certainly not the intention of the Department or the U.S. Government to try to build up any kind of military capability in these countries. Second, as far as Mali is concerned——

Senator **Church**. If this is not the intention, why are we doing it?

Mr. **Tasca**. Senator Church, if you let me finish the statement, maybe I will have something of an answer for you.

POLITICAL ASPECTS OF PROGRAM IN AFRICA

Second, Mali does present us in tropical Africa with a very difficult kind of a problem. It is not Communist. There is a strong Marxist influence. But it is certainly not what we would call a Communist state. It is not behind the Iron Curtain. From the standpoint of the Department, we must try to keep these countries from sliding over further toward the Iron Curtain, behind the Iron Curtain. There are friendly forces in Mali. On the other hand, there is the Soviet bloc that is trying to get their military into it and build it up. The Mali Government does not want the Soviet bloc to build up its military forces. We don't want them to build it up. But if we have the chance of trying to keep a kind of foothold in the door in a very strategic area, we think it is worth doing for the amount of money involved.

Now, I would like to say something more on Africa, because Mali is the kind of problem we are going to be facing in other countries in Africa, too. These countries are newly independent. They have very little experience. They are extremely poor. Those, for example, that were French territories are very sensitive about their ties with the French. I personally believe that once they get over this period the countries that have been under France, that they are going to get very friendly again with the French. But right now some are in a stage where they are going to sound at times irrational, they are going to sound difficult. But I think it is up to us to try to be very patient with them, and not give them up when there is a chance that we may be able to bring them back toward the middle, especially countries like Guinea and Mali.

Now, we think that the fact that they have asked us to help out in this field is a pretty good indication that they don't want to slide behind the Iron Curtain. And there is an important thing about this minister who came here. Some of the people on his staff told us that the younger elements in what might be called the Mali armed forces, are the ones that want to get close to the United States and the U.S. military. And that is a worthwhile thing sticking to. It is not a military program, it is a political program, trying to keep our foot in the door.

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MERITS OF MILITARY PROGRAM IN AFRICA [P. 756]

Senator **Church**. You say it is a political judgment. I say it is an exceedingly bad one. I think we would be much better off if we would say to these countries that we stand ready to help in ways that will contribute to their improved living standards and to their economic development. One thing we are not going to use American money for is to build an arms race in West Africa or any other place in Africa. We may have some justification where our national defense depends upon the Asmara communications center, to have to provide Haile Selassie with jet airplanes if that is what he demands, recognizing that in doing so you are just submitting to a kind of blackmail that we put up with because Asmara has that importance. You might have some justification in Liberia, where you have a very important air base that is essential to the training of our fighter pilots. There might be even some lingering justification, which I seriously doubt, in Morocco, where I think our policy would be best advanced by closing down those bases sooner than we plan to. But I do not see what justification we have down in West Africa, in tropical Africa, in lands that have not yet established their military programs, to assist them in a military build up that will only frustrate and complicate our long-term objectives.

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NEED FOR REEVALUATION OF TYPE OF WEAPONS GIVEN [P. 757]

Senator **Gore**. I would just like to conclude this particular point, and then my senior on the committee, Senator Humphrey, has not had his opportunity to ask questions.

I wonder how this becomes a Presidential determination on Mali. As an example of how our system works—this comes to the committee as something having that Presidential determination. Now, would either of you know whether the President had an opportunity really to personally examine this, or whether this goes through the channels and back down through the channels?

Mr. **Tasca**. This goes to the President. In a matter like this one, a draft determination is prepared by the State Department and is then gone over carefully by Defense and the Bureau of the Budget before they concur. It is sent to the White House with our recommendation and the President then makes the decision. The committee is furnished a copy of each Presidential determination under section 451(a).

Senator **Gore**. You said the White House. I do not wish to inquire into the private relationships of the President, but when you say the White House, that is a great big building, it has a couple of annexes, there are a lot of people down there. A number of people undertake to speak for the White House.

Mr. **Tasca**. Yes, sir. I discussed this in the first instance with Mr. Bundy, and then it was cleared with the President himself.

General **Palmer**. A Presidential determination signed on May 11.

Mr. **Tasca**. Yes, sir.

USE OF CONTINGENCY FUND IN AFRICAN MILITARY PROGRAMS [P. 757]

Senator **Gore**. Well, now, I will defer your answers, Admiral, until after Senator Humphrey asks his questions. But I notice that half of the budget, a little more than half of the military budget for Africa is in this contingency fund. So we are asking now about Mali. We do not know, but it might be Somaliland after we pass the bill.

Senator **Church**. $25 million is the amount from the contingency fund?

Senator **Gore**. I notice President [William] Tubman wants nine battalions for what he calls a frontier force. So we are in fact developing—are we instituting an armaments race here? If President Tubman has a frontier force of nine battalions, will not his neighbors want a counterpart? We have found that to be the case in South America.

I will not go further. I will yield to Senator Humphrey. He has been on the floor, and has not had an opportunity to ask any questions.

Admiral **Grantham**. May I respond to that?

Senator **Humphrey**. Yes, please, go ahead.

Admiral **Grantham**. We have no plan to support a military establishment as big as that you just described for Liberia. They have a 2,400 man frontier force at the present time. Although we are now supporting one battalion, we have not gone any further.

We may find it necessary to go to two. We may have to undertake in the near future a second battalion support, if they are to continue to contribute to the Congo force. But this is small and we are not thinking in competitive terms. And we have not.

PURPOSE OF ASSISTANCE TO ASSURE INTERNAL SECURITY OF COUNTRIES

Now, the $25 million is put in the program for the purpose of satisfying the internal security requirements of these countries under conditions just mentioned by Senator Symington. That is to say, that we know now that the French Entente States are going to ask us for military assistance. We do not want to get into this until after we know what the French are going to do for it. We cannot yet specify what we would do. But if past experience means anything, we are going to find the French either vetoing any kind of assistance by not discussing it with us, or else trying to keep us out and do nothing themselves. This is going to push them right into some other direction. We do not want this. We would like to confine what we do for them to their internal security needs, police type weapons only, and be there to do it, without letting somebody else get control of their internal security forces. And the Communists, once they get control of internal security forces, have one short step to take.

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TECHNICAL ASSISTANCE AND OTHER [P. 762]

Senator CHURCH. True. Then let's take Mali. You are proposing to initiate a military program there. Is there any economic program proposed for Mali?

Mr. TASCA. We have a small economic program, a technical assistance program. We may have a larger program next year, but the presumption will be that there will be a certain number of things they will do that will indicate to us definitely that they are not in the Soviet camp, that they are going at least to be in the middle and at least give us a chance of showing what we have to sell.

Senator SYMINGTON. What do you plan to put in Mali?

Admiral GRANTHAM. Hardware?

Senator SYMINGTON. Yes.

Admiral GRANTHAM. First I should say there would be no actual arms or munitions. It would be 200 officers' uniforms, 3,800 enlisted men's uniforms, associated personal equipment, parachutes for a company of 200, 20 ambulances and field kitchens for 3,800 men.

Senator SYMINGTON. The question was asked about airplanes. Have we an answer to that?

Admiral GRANTHAM. Senator Symington, I would like to furnish that for the record. I cannot remember. I know they have some aircraft.

Senator SYMINGTON. Have you any economic program there?

Mr. TASCA. We have had a small program this year which amounted to about $1.2 million.

Senator SYMINGTON. What is the military program?

Admiral GRANTHAM. $650,000, estimated.

ECONOMIC VERSUS MILITARY PROGRAM

Senator SYMINGTON. Well, surely you would not want to disagree with Senator Church's position that it would be better to put an economic program in Mali then a military program, everything else being equal, would you?

Mr. TASCA. Well, I think you have to look at both sides together.

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CAPABILITY OF IRANIAN ARMY [P. 763]

Senator HUMPHREY. It was reported to me that the Iranian Army believes that it is capable of suppressing any internal rebellion.

When asked as to what its capabilities were, that is what he said. It was also indicated that it was really stretching the imagination to think of it was being a deterrent force to the Soviets.

What is the purpose of the military program in Iran? Do you think that the Iranian Army is a significant deterrent or resistance force to the Soviets?

Admiral GRANTHAM. The program is aimed at a real contribution toward their internal security, and to give them a limited capability to fend off an incursion from outside.

Senator HUMPHREY. From whom?

Admiral GRANTHAM. I do not think they could defeat the Russian Army. I do not wish to give that kind of impression. But they can make it necessary for an invader—first of all, they can give some security to their border areas. Second, they can make it necessary, if somebody contemplates a military venture against them, for the adversary to amass a considerable lot of force and thus telegraph their punch, and then they can fight an action effective enough to delay ground force invasion until we can make up our minds if we are going to get into a war or we are not.

That is about the size of it.

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POLITICAL SITUATION IN IRAN [P. 765]

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Mr. TALBOT. It appears that this Premier [Emami] is not in the line of prime ministers that the Shah has appointed from time to time since 1953 and 1954 when the Shah resumed power after the Mossadegh period. Rather this is a man who has been opposed to much that has been happening in Iran in recent years and who has opposed a number of things that the Shah has done in Iran, a man who is in the conservative section of society.

At the same time, he is one who has been uncomfortable about the way in which conservatives in the Iranian society have been managing the affairs of the country. He has been out of power for several years. He has, of course, had prior experience in Washington.

He was turned to by the Shah when the Shah apparently was really frightened at the course of developments in his country some weeks ago. You remember that Walter Lippmann quoted Khrushchev as having said that Iran would fall pretty much of its own weight.

Senator HUMPHREY. Khrushchev says that all the time. I think he believes it.

Mr. TALBOT. Well, the Shah certainly got more worried after reading this, by the accounts we have received. About that time the school teachers demonstrated, and the Shah apparently felt, and has cause to feel, that the situation had slipped badly. In a mood of real concern, he appointed this man as Prime Minister, feeling that such a person, a person of such perspective strength, was necessary, even though the Shah did not particularly like him.

Senator HUMPHREY. What is he now doing?

Mr. TALBOT. The new Prime Minister took office and has started a program with whose objects I think we can live very comfortably indeed. Going beyond that, I think these are objects that we would want to support in the country. I think the achievement of real progress toward these objects would strengthen the government in

Iran, would make the situation better for a lot of the people who have been quite discouraged by recent developments.

And I think the alternatives to this approach would be unfortunate, both for the people of Iran and for our national interest in that part of the world.

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Mr. Talbot. This government came into power some weeks ago with—facing an immediate very difficult situation. We have tried to give them some immediate help.

PROGRAM OF REFORM IN IRAN [P. 766]

Senator Humphrey. What did you give them?

Mr. Talbot. Well, sir, their first difficulty was a cash flow difficulty.

Senator Humphrey. Yes. What did we do about that?

Mr. Talbot. We have cleared $40 million for them.

Senator Humphrey. We have given it to them?

Mr. Talbot. We have given the cash now, rather than 3 months from now, for projects which had been approved, which had been examined, which had proceeded, and out of which payment is now due.

But as you know, under our procedures frequently project payments come some months after the papers have been put together.

Senator Humphrey. How many million dollars worth of property did the Shah liquidate to take care of this indebtedness or deficit they had? He is a very rich man. He is richer than anybody I know. How much did he liquidate, Mr. Talbot.

Mr. Talbot. He has, as you know, in recent years shifted his own land ownings.

Senator Humphrey. He shifted. I want to know how much he liquidated. For example, when we had a family crisis, we had to sell some of our limited holdings to kind of help somebody out in the family. We didn't shift it—we sold it. How much did he sell?

Mr. Talbot. I don't know that he has sold anything in the last 6 weeks, since this has happened.

I would say about what we are doing on this, that we are moving vigorously to support the new Prime Minister's objectives—the emphasis on objectives. We are informing the government that we are prepared to work very closely with the government in the firming up, the improvement of the third development plan which is to start in September 1962, and the main framework of the plan is now in its final stages.

We are making it very clear that we will support moves which broaden the base of power within the country.

I think the Shah now understands that we are more concerned with economic and social development, with the criteria of economic and social development than with other aspects.

There have been certain improvements already. For example, the man who is directing the Plan Organization of Iran under the previous regime was, in our view, a particularly constructive person.

There is now at the hand of the Plan Organization a very effective economist.

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ECONOMIC AND TECHNICAL ASSISTANCE TO IRAN [P. 768]

Senator HUMPHREY. How much economic and technical assistance do we plan putting in there?

Mr. TALBOT. We plan to put in $15 million supporting assistance, and $3.8 million development grants. And then Iran will be eligible for this, I think, very significant new program of development lending which will, if the plan is right and firm and strong, be the major portion of our assistance.

I think, Senator, many of the things you have said are things that we could not agree more wholeheartedly than we do. To pour money in at the top and have it go to these gold-plated rich people, as you say, is just obviously an incredible waste of American resources.

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Senator HUMPHREY. You know, when I read the justification for Iran, and country development, I want to tell you if Khrushchev ever gets a hold of this, he really will have documentation to buttress what he said. Of course, Khrushchev told me exactly the same thing he said to the President. He said, in effect, Iran will come along with us. You folks will call it a Communist revolution, but it will just be a revolution. We will be glad to take credit for it and we will run it, we will be delighted. This is not a direct quote.

He keeps saying the same thing. But listen to this:

"The effective control over policies exercised by the Shah who extends his authority into problems of implementation—there is really delegation of power at present. The Shah relies for support on the military forces, the large land owners, the leaders of commerce and finance."

Well, they are going to be dead. Somebody is going to shoot these people. And they may be doing it with our weapons.

"Many of the Shah's policies are unpopular with the intellectuals and much of the growing middle class."

The growing political unrest of this class was manifested more openly last year during the elections.

"Since continuing development will increase the size of the restive middle class, pressure for fundamental change in the near future may also be expected to grow."

These are the fellows that are in charge.

Mr. TALBOT. You will note, Senator, at the bottom right-hand corner of that page, this was approved on May 3, 1961. May I say one or two things that have happened since May 3?

Senator HUMPHREY. Yes, sir.

Mr. TALBOT. The Shah has been personally informed that since that date that the U.S. Government is not so concerned about building up his military forces; it is very much concerned that the base of the Government of Iran should be broadened, and that the Government of Iran should tackle its basic problems more effectively than it has.

Senator **HUMPHREY**. Good.

Mr. **TALBOT**. If he is any good at all in inference, he already, then, understands that the U.S. Government is not so concerned about supporting him as the sole power. On the contrary, the building of a government under the Prime Minister and a ministry with some independent capacity seems to the United States to be a way in which this situation can begin to be rectified.

Now, I do not think we can expect miracles. I agree that it is a touchy situation, that there are all kinds of difficulties. It seems to me that the course of action in which Iran has now embarked, and which we desire to support, offers the best hope that there is at the present time for this situation.

Senator **CHURCH**. Did you say that $60 million was allocated for the military and $3.8 million for economic development?

Senator **HUMPHREY**. Development grants.

Senator **CHURCH**. Are those the right figures?

Mr. **TALBOT**. The figures on the military you have. On the economic side, three kinds of funds will become available to Iran. One is supporting assistance, which will be $15 million. Another is called development grants, $3.8 million. And the third, which could be small or could be very much the largest by far of all, will be development lending, if the authority for development lending is given.

Senator **CHURCH**. If I were the Shah of Iran, I know what the $15 million is for in military support—having some familiarity with the program. And if I were the Shah of Iran and looked at this program, I would not worry too much what the Government of the United States thought about its noble purposes in Iran. There is $60 million here that we have allocated to keep the Shah on his throne for fiscal year 1962.

Mr. **TALBOT**. May I comment on this?

General **PALMER**. The Shah does not know the content of this program.

Senator **CHURCH**. He knows what we have done every year up to now, and he will know pretty well, if I don't miss my guess, just what we are figuring for the next year, or his agents are not worth their pay.

Mr. **TALBOT**. May I comment on that, Senator?

Senator **CHURCH**. I just want to say this. What worries me so is I think Khrushchev is right. I just think it is going to be a miracle if we save the Shah of Iran. All I know about history says he is not long for this world, nor his system. And when he goes down, boom, we go with him.

NEED FOR VOCATIONAL SCHOOL IN IRAN [P. 769]

Senator **HUMPHREY**. Why don't we announce that we are going to build 1,000 or 100 vocational schools in Iran? Your own report says:

> Fundamental vocational and technical education has lagged seriously behind the demand being contemplated by the completion of new development facilities. Illiterate peasant youths drawn to the new industrial centers are not yet working efficiently.

This does not represent what the Congress believes. I do not know what is the matter with us. We do not believe in all of this. I want France to have a big army if she needs it, people that know how to use the tools, the West Germans, the Pakistanis, countries trying to help them. But this crowd—Senator Church is right. They are dead. They just don't know it. I don't care what revolution it is. Somebody is going to get these fellows. They are out. It is just a matter of time. Either that or this country is gone, because we do not believe in this. They go Communist, or they are going to have some other kind of a revolution. It is inevitable. You cannot keep it down any longer, particularly when you give them guns, because that army is going to turn on them, just as surely as you and I are in this room. That fellow in Iraq did the same thing.

Some of my best friends are in jail in Iraq, fellows I got to know in the United Nations. They were all shot around by American arms.

If we are going to be friendly to the Shah, we ought to quit arming the boys that are going to throw him out.

CHANGES IN THE IRANIAN PROGRAM

Mr. Talbot. Senator Church suggested that the Shah has gotten the word or is about to. The word, of course, will be that his military assistance has been cut from $72 million to $60 million, and his supporting assistance has been cut from $22 million to $15 million. And already he is screaming that he cannot keep his army going on this. The word is getting through to him very effectively that the United States is not interested in maintaining his prestige at the cost of doing these constructive activities. The word is getting through to him that Iran's third plan needs to be firm and solid, and that the United States is interested in doing what it can to make that firm and solid. It seems to me that we are in all appropriate ways moving toward trying to push Iran in a constructive direction.

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NEED FOR SELF-HELP IN IRAN [P. 770]

Senator Humphrey. I read about it. I hope you will put the pressure on, because I want to help Iran. I would like to help the Shah, too, if he is willing to help himself. I am worried that he just cannot see what is happening. This is what is also happening in Latin America. There is a limit to the amount of money that this country can give to these people who are unwilling to do what they ought to do. They ought to just get out before it is too late, Khrushchev or somebody like him is coming just as sure as you and I are around this table, or somebody like him. The same thing happened in Cuba. We did not pay any attention to it. Nobody from the executive branch ever came into this committee and told us one thing about the illiterate Cubans or the sick Cubans or the poor Cubans or the worker Cubans. All we ever heard about was the Hilton Hotel or the nice big golf course or something else. Now we have Castro. He is there for quite a while; I'm afraid far too long.

That is what we are going to get in Iran. And all that military aid is never going to save him, not one bit.

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[After an off-the-record discussion, the committee recessed to reconvene at 10 a.m., June 16, 1961.]

INTERNATIONAL DEVELOPMENT AND SECURITY

FRIDAY, JUNE 16, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to adjournment, at 10:15 a.m., in room F-53, U.S. Capitol Building, Hon. Wayne Morse presiding.

Present: Senators Fulbright, Morse, Humphrey, Church, Aiken, and Carlson.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF BRIGADIER GENERAL W. A. ENEMARK, DIRECTOR, WESTERN HEMISPHERE REGION, OFFICE OF ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS; HON. WYMBERLEY DeR COERR, ACTING ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS; ACCOMPANIED BY GENERAL W. B. PALMER, DIRECTOR OF MILITARY ASSISTANCE, DEPARTMENT OF DEFENSE

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U.S ATTITUDE TOWARD STATE OWNERSHIP IN BRAZIL [P. 785]

Senator **Carlson**. In the amendment that I put on the floor, we put the word "preference." The State Department complained, and we finally got the words, "special consideration." Here Brazil is getting wheat from Russia. People in Brazil have told me, top people, that they would have gladly entered into some agreement to take wheat. I think we do a poor job of trading when it comes to dealing with these countries. I really do. I mention that because I have been in on this deal.

The **Chairman**. Do you have any comment on that, Mr. Coerr?

Mr. **Coerr**. Yes, sir. I would like to speak, first, to the oil problem, and then to the wheat problem, if I may.

The **Chairman**. Yes.

Mr. **Coerr**. This we may have to classify, I am not sure of the status of the negotiations, but we are considering making available a $10 million Export-Import Bank loan to Brazil for development of shale.

The CHAIRMAN. Shale?

Mr. COERR. Yes, sir. They are very interested in this as a potential source, supplementary to the deposits of what they already have, and we may need equipment and plant, and we are seriously considering working with them, and a supply of credit under the new policy of the Export-Import Bank which makes a supply of credit available for equipment of that nature.

The CHAIRMAN. I heard about that when I was in Rio. It seems to me that is much less—I was told much less—economic than just the straight exploration for oil. But shale is much more expensive as a process, and someone was discussing that with me, I do not remember who, when I was there this spring, that they had grave doubts about the economic justification of the shale program.

We have tried shale out in Colorado, and we decided it was unworkable, at least under the world conditions. Oil is so much cheaper to produce.

It seems to me, I understood it was an extremely dubious project.

Mr. COERR. There would be a bankable project here, sir, in response to their request to us, because as you know, the Export-Import Bank has requirements of this nature.

If I might also add, I was addressing myself primarily to our response to their attitude on these things.

Senator CARLSON. Did you concur and approve of this loan on shale? Do you approve those for exploration of use of shale for oil?

Mr. COERR. I would not pass on the economics or the technical side of it, but I think it is a step forward in our relation with them, if they think that they have a bankable shale project and come to us for it, that we do not refuse it merely because it has to do with oil.

Senator CARLSON. Well, that may be a good answer, but those of us who are familiar with oil problems and shale in the great State of Colorado, just would say it is not a good thing to do.

The CHAIRMAN. Nearly everybody has exhausted that; this is so partly because of the great discoveries of oil in the Middle East and in North Africa, which are produced relatively cheaply, and the only way they can make it bankable is by very rigid internal programs.

Senator CARLSON. Import restrictions.

The CHAIRMAN. Import restrictions, and so on, and they could, of course, pay it off, but it would not be economic. They could buy it much cheaper provided they could develop their balance or payments more satisfactorily.

I mean, I would think a program for the stabilization of the price of coffee, which actually could be made to work, and we would back it, would give them money with which they could buy the oil a lot more economically then they could produce it by shale. I mean, there are other approaches to this question of balance of payments, and the people I talked to felt this was a very improvident project, and was dictated largely by a sense of pride or something, and they did not know what else to do, and they had not succeeded in finding oil in the free state, but they had not exhausted the possibilities, by any means.

There had been very inefficient exploration. The thing that has been a complaint is the refusal to support the exploration for oil in which we have, have we not, in the past refused to support that?

Mr. COERR. I think that is a fair statement.

The CHAIRMAN. I would rather encourage them to do that. It has some prospect of being economic if they find it. I do not think the shale would be economic in the foreseeable future.

The Union Oil Co., and the Government spent a lot of money trying to prove this out at Rifle, Colo.; you remember that, Frank?

Senator CARLSON. I know.

The CHAIRMAN. Finally, after many years they decided that this should be suspended, there was no prospect of economic production in the foreseeable future. Maybe in 50 years it might turn around to where there was a shortage of regular oil, and then it might come in, but not now.

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REDUCTION AND PHASING OUT OF MILITARY AID PROGRAM [P. 788]

Mr. COERR. I do not claim the military are becoming angels overnight or are all constructive. I merely say we have a trend to a certain extent, largely encouraged by us on the military level through General Lansdale,[1] the concept of civic action. I have heard General Lansdale tell 30 Latin American officers what they can do in their local situations, and what they can do—and they can do this because they have a common basis of an assumed common enemy.

I have heard him say things to them which I wish I could say with equal effect to politicians. In effect, the military are beginning to recognize that for its own survival it has to change, and it is changing.

The military are also being influenced toward change because of Cuba. They recognize that in a successful Communist takeover the organized military will be the first to suffer. It was true, of course, in the non-Communist revolution in Mexico where there was the immediate purging of the organized military. It is true in Bolivia. It is doubly true in Cuba, and their own self-interest is stimulating a more constructive approach.

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ASSISTANCE FOR MAINTAINING INTERNAL ORDER [P. 789]

Mr. COERR. With regard to the deathbed patient, I think that if we relied only on repression or any government relies only on repression, that is a deathbed situation. I think we have to recognize the Communists do not play this game fairly. If they can topple the government while we are trying to take proper constructive measures, they will. Many of these governments have, particularly if we can exert our influence, many other recourses than military, they are just beginning to wake up and, to a certain extent, we are. We now have to help them and encourage them and induce them, if necessary, to take lots of constructive measures, not only military but economic, and the primary purpose of the internal security approach to the military is to achieve parallel protection to insure enough time so that we can bring pressure to bear for constructive work.

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[1] Brig. Gen. Edward G. Lansdale, American counter-insurgency specialist in Vietnam.

If I may adduce one more case, Bolivia, in particular—in Bolivia that has been a very, very debatable program on many counts for a long time. We have twice in the past year operated on a crash basis, getting a Presidential determination. I must say we got it very fast.

On both occasions we got an urgent appeal from the President for some rather small amount of arms. The figures I do not have. We got them down to them. He was fairly close to a deathbed situation. But if it had not been him it would have been somebody else. We had to try to keep the patient alive.

Now, look at what has been going on in Bolivia at the moment. This is something new in Bolivia which we have been watching with—I have been in Bolivia, I am a little skeptical about what happens in Bolivia, and I do not buy a pig in a poke. It looks as if about 1 week ago he decided to burn some bridges. He arrested 70 Communists. He moved troops up to a couple of key points to protect the capital. He moved them in the face of the known Communist domination of quite a few mine commandoes and worker commando units.

As you know, there are more arms outside than inside the armed forces there, and although we suspected at first that he might have made a deal just to impress us, "I will arrest you now and let you go later," it looks as if he has gone pretty far and that the riots which you read about in the paper on the occasion of Mr. Stevenson's visit were merely a continuation of Communist-instigated mobs trying to upset this government.

Now, we have assisted them in training their Carabinieros; we have supplied them with ammunition, but mostly, including a lot of tear gas.

In this particular case, if he did not have our moral and, to a certain extent, our physical support, I do not think he would be in charge of the government now.

If I may, Mr. Chairman, I would like to mention one other case of the use of Communist force in a local situation. Possibly the committee knows about this already, but it is typical, I think and is worth noting, namely, the fight which occurred about 1½ years ago between the commando units of two mines in Bolivia, one a pro-Siles, pro-free world mine, and the other a mine which was linked primarily to the Communists, in which there was strong lechinista influence.

This was a very complicated fight. It is never very black and white, non-Communist and pro-Communist, but the upshot of one of the fracases was that the Communist-led commandoes attacked and wounded some 30 people, and strung up the non-Communist labor leader in the public square of a small town while Siles was down there attempting to mediate, and that event occurred shortly before the Bolivian primaries.

This is the type of thing we are up against. It is not, as I repeat, it is not as if they are going to play fair. They are going to use force, and our problem is how to help the governments selectively and with judgment to withstand this sort of a thing.

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QUESTION OF AID TO MEXICO [P. 836]

Senator **Humphrey**. I just feel that there must be an answer to this one. I cannot believe that Mexico is without need.

Now, she has great pride and a degree of anti-Americanism, of course.

What is your reply Mr. Secretary?

Mr. **Coerr**. They have asked only for a small technical program. If I were to—I am going to have to guess, frankly, as to their motives. I think that you put your finger on it. They are not so much afraid of the commitment as the appearance of a commitment, and also I think that they feel they are doing pretty well. I do not think they feel a great need for it. They think they have had their revolution, and that other people have bigger problems than they have.

Senator **Humphrey**. You are right.

Mr. **Coerr**. I think we do have a serious long range problem in Mexico because that revolution has not trickled down as far as it should have.

Senator **Humphrey**. Yes, sir.

Mr. **Coerr**. I do not know the figures for the median in them, but I am sure they are pretty low, and there is also considerable discrepancy even in Mexico between the well-to-do and the many who are not. There is going to be trouble.

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PROGRAM IN HAITI [P. 838]

Senator **Humphrey**. It is $12 million military assistance—no, $1 million for military assistance, $12 million for defense support, and $3 million, as I recall, for everything else, is that about it?

Senator **Aiken**. They need a lot of everything else.

The **Chairman**. It is $12.3 million, according to this book.

I would say to the Senator from Oregon, the description under Haiti in this official book is just about as bad as that letter. They have put it down. This is just a terrible situation. Did you read it? It is just about as bad as it can be.

Senator **Morse**. Yes. I recognized it. I think it is terrible, and I just do not think you can justify perpetuating this kind of a government.

The **Chairman**. Here is what it says:

"It should be frankly recognized that the present Haitian Government is an extraordinarily unsatisfactory one."

It goes on to describe why.

BREAKDOWN OF HAITI PROGRAM

Mr. **Coerr**. Mr. Senator, may I give a breakdown of those figures?

Senator **Morse**. Yes, I wish you would.

Mr. COERR. Agriculture, $3.3 million, primarly for soil conservation, erosion control and reforestation, rural credit, crop diversification, and small processing and marketing facilities.

Public works, $2.9 million, primarly for secondary roads, but also some investment in small irrigation systems.

Education, $2.3 million, for rural school construction and renovation, mainly through village self-help methods, rural normal schools, and rural teacher in-service training.

Senator HUMPHREY. When was that report published?

Mr. COERR. This is for the $12 million, sir.

Senator HUMPHREY. For the $12 million?

Mr. COERR. Yes.

Senator HUMPHREY. What is the date of that?

Mr. COERR. Well, this is just a worksheet which I have that is dated June 12.

Senator HUMPHREY. Yes, sir; I know a little bit about that report. You made that report up after we had that last meeting here.

Mr. COERR. Yes, I did.

Senator HUMPHREY. I had something to do with it, because you had before that, there were $12 million that was defense, what they call defense support, and the record will so reveal.

Mr. COERR. It is called supporting assistance.

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CONTINUATION OF BREAKDOWN IN HAITI PROGRAM [P. 839]

Mr. COERR. Community development, $100,000, to be used for the beginning phase of an effort to increase direct contact with the villages. The program is to be related to the rural school development and will be directed toward stimulating villages to expand community facilities through self-help methods.

One million four hundred thousand for an integrated area development, what they call the Pote Cole project, for the development of training institutions, demonstration farm, community facilities, expanded agriculuture, in the fertile and once productive plaine du Nord, near Cap Haitien.

Public health, $1.5 million, for rural health facilities, malaria eradication, health training, and some activity in medical education.

Then there is a miscellaneous amount of some $500,000 which has not yet been programed in detail. I do not know if you want examples of what it might be used for.

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PRESENT ATTITUDES OF CASTRO [P. 841]

Senator AIKEN. Am I correct in thinking that Castro was glad to talk to some Americans the other day? Do you think he is getting tired of Russian guidance or has he been all the time?

Mr. COERR. I do not know, sir. I do not know him well enough to say whether personally he may have been glad about it. I think, and I may be a little cynical here, that he may regret that he burned his bridges as badly as he did.

Senator AIKEN. That is what I am getting at.

Mr. **Coerr**. The one thing he did that Nasser did not do, was when he said that to be anti-Communist is to be anti-revolutionary, revolutionary being a good word in Latin America. He gave his revolution away at that point, and he lost his bargaining power.

Senator **Aiken**. I feel he may have regrets, too, and would like, perhaps, to find a way back off the limb?

Mr. **Coerr**. I would think, sir, that is correct.

Senator **Aiken**. Whether internal or external pressure would let him or whether it is at all possible or not, I do not know.

Mr. **Coerr**. I think what we would want to see is a long period of adequate preconditions for democracy. And he could rig an election without too much trouble.

I think that if we were to ask Castro to hold an election we would be boobytrapped ourselves because he does have a lot of popularity right now.

The **Chairman**. He would be elected.

Mr. **Coerr**. I think, however, that he could not withstand a sustained period of freedom in which you have full political debate, genuine independence on the part of the unions, all the civil liberties.

Now, if he could do that then I think we could talk to him.

Senator **Aiken**. Batista could not either at the last when he tried to restore civil liberties.

Mr. **Coerr**. That is correct.

Senator **Aiken**. He was not able to have free elections. Things got worse instead of better.

Mr. **Coerr**. That is right, and there are some of our Latin American friends with whom we are doing business who could not do it either.

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POSSIBLE USE OF MILITARY IN ENGINEERING PROJECTS [P. 847]

General **Palmer**. You are giving one [country] police training on how to break up riots, and the others you are——

Senator **Aiken**. Yes. But it is going to sound a lot better to the public if you put emphasis on the engineering type assistance.

General **Enemark**. May I touch on your point a little bit?

Senator **Morse**. Yes.

General **Enemark**. About $20 million of this program for materiel is tied to maintenance of forces which we already have in there.

We are protecting our investment is what we are doing. We are enabling them to use the equipment they already, have. About $21 million, as has been brought out, is for the internal security package based on the fact that we have a completely new threat in that part of the world, that we must enable those governments to become stable and remain stable in order that they can develop economically.

There is about $13 million for force improvement involved in that, and that covers the last part of our commitment to Brazil on the Noronha package, and it covers some antisubmarine warfare and some training aircraft for Chile and Peru. Those and the internal security items are the only force improvement items in the program. The remainder is maintenance and training.

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[At 12:35 p.m., the committee recessed.]

VIENNA CONFERENCE

[EDITOR'S NOTE.—President Kennedy and Premier Khrushchev met in Vienna, Austria, on June 2 and 3, 1961, to discuss such pressing issues as nuclear testing, disarmament, the status of Berlin, and the neutrality of Laos. Kennedy returned to Washington on June 6, met with congressional leaders, and made a nationally broadcast address to the Nation. The President described the meeting as "a very somber 2 days," and said that he had sought to make sure that the Soviet Premier "understood our strength and our determination." Berlin proved to be the critical issue of the meeting, with Khrushchev reiterating his threat to sign a separate peace treaty with East Germany and to consider any movement between West Germany and Berlin as a violation of East Germany's borders. "If that is true," Kennedy replied, "it will be a cold winter." The President insisted that the United States intended to honor its commitments to Berlin. On August 13, Soviet and East German construction of the Berlin Wall commenced. On August 19, Kennedy responded by sending in additional 1,500 American troops overland into West Berlin, but they met no resistance. In October, Khrushchev retreated from his ultimatum, stating that "if the Western powers show readiness to settle the German problem, the question of a deadline for the signing of a German peace treaty will not be of such importance."]

FRIDAY, JUNE 16, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee reconvened at 2:35 p.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Senators Fulbright, Morse, Church, Gore, Hickenlooper, and Carlson.

AFTERNOON SESSION

The CHAIRMAN. The committee will come to order.

We are very pleased to have this afternoon the Secretary of State, who will discuss the Vienna conversations with the committee, and will discuss foreign aid if we have time left.

Mr. Secretary, will you proceed.

STATEMENT OF HON. DEAN RUSK, SECRETARY OF STATE

Secretary RUSK. Thank you, Mr. Chairman and gentlemen.

Before I come to the serious issues that were raised during and since the Vienna talks, I would like for just a moment, if I might, to comment on the case of Irvin Scarbeck, the Foreign Service officer, class 4, who is now charged with espionage. The case has been turned over to the Department of Justice.[1]

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[1] In October Scarbeck was convicted of passing Embassy secrets to Polish agents, and was sentenced to a 30-year prison term.

Mr. Scarbeck has committed what we consider to be one of the gravest offenses that a Foreign Service officer can commit, in passing classified information to a foreign government without authorization.

He shows no signs of having been committed ideologically to the Communists. It does not seem to be that kind of problem at all.

A CASE OF BLACKMAIL

Mr. Scarbeck got himself personally involved in a classic triangle situation. He was discovered in his indiscretions, by, apparently, the Polish intelligence. They proceeded, beginning last December, to put pressures on him to come across with information on a blackmail basis.

He made the decision which we have always desperately hoped that our employees would never make, that is, to yield to it instead of coming straight to the Ambassador to report to him, in which case, in exchange for a certain amount of personal embarrassment, he could get complete protection against this sort of pressure.

OFFENSE WARRANTS LEGAL ACTION

Mr. Scarbeck did pass at least one document and other information verbally, apparently. We had some intimation of something of this sort happening within the Embassy, and I must say that our security officers did an expert job in running it down reasonably promptly as soon as we had some notion that this might be happening.

We brought Mr. Scarbeck back here, accompanied by one of our security officers, but not under arrest or detention of any sort. He made a full statement—at least it appears to be a full statement—of just what happened.

In general, his attitude has been entirely cooperative. But the seriousness of the offense was such that we felt that it required action by the Department of Justice, if the Department felt that it was a case which could properly be put before a court.

INDEPENDENT CORROBORATON NECESSARY

There are two problems in the case when he comes to trial. One is that although we have a full confession, it will be necessary in the trial for the prosecution to make the case on the basis of independent corroborative evidence. This is a difficult thing to do in a situation that is behind the curtain, in which some of the corroboration is not available.

Second, under the Espionage Act——

Senator HICKENLOOPER. It is not necessary if he confessed in open court.

Secretary RUSK. If he came in and pleaded guilty that would not arise.

The CHAIRMAN. The confession is not admissible?

Secretary RUSK. I am not enough of an expert to be able to answer that question specifically, although I am advised that it would be necessary to corroborate the confession by external evidence.

Senator HICKENLOOPER. I think that is the rule.

Secretary RUSK. I am not sure. I am not that much of a lawyer.

The CHAIRMAN. It is admissible, but it needs corroboration?

Secretary RUSK. It has to have corroboration. It is admissible.

Senator HICKENLOOPER. It is at least admissible for impeachment purposes. For instance, if he took the stand and denied it, it would be admissible for that purpose. I am not too sure.

NATIONAL SECURITY ISSUE

Secretary RUSK. The second issue that would be present in the trial would be whether the information affects the national security. It is not enough just to say that it is classified, because it would be available to the defense to plead that even though the information was classified, it did not affect the national security in the sense of the Espionage Act.

It is for that reason that I would hope not to be pressed very far on the actual seriousness of the information which was passed. I will say that there was no information passed involving our weapons systems or the highly technical secret material, but we would prefer to leave it to the court to decide whether the information that actually was passed affected the national security.

You see, the document that was passed would be declassified and made available to the court, to the Department of Justice, for purposes of trial. This could well be an issue there.

GUILTY PLEA LIKELY

One other point in passing: we are not completely sure about the other woman in the case as to whether she might have been an agent provocateur. There is some circumstantial indication she might have been.

Mr. Scarbeck himself does not believe that this was the case, and his attitude is such, we think the chances are that he may very well plead guilty. That has been his general approach thus far, and we would prefer not to have this particular point discussed, because it might cause him to change his mind on a plea of guilty.

SECURITY PROCESSES ARE IN GOOD ORDER

I do want to say to the committee that, of course, as Secretary of State, I am deeply distressed that this sort of thing occurred.

We try to emphasize to our people abroad that their own personal lives are very much involved as part of their professional duty. We especially brief our people behind the Iron Curtain that indiscretions can become the basis of entrapment, and that if there is any indication whatever of pressures from any governments or agents against them, their first duty is to come and report this to their Ambassador in order that appropriate steps can be taken.

So far as we have ascertained, this is the first time a Foreign Service officer has had to face such charges of espionage. I think, by and large, our security processes are in reasonably good order, and I would not think that we would want to revolutionize our procedures on these things because of the one case.

I just wanted to mention this to the committee. There might be questions about it or observations which members of the committee might wish to make.

This is, of course, a problem, and we try to impress upon our people that these things must not get mixed up.

NO POLYGRAPH TAKEN

Senator **Hickenlooper**. Have you had this fellow under a polygraph?

Secretary **Rusk**. We have not. We have had him under very protracted and intensive interrogation, and he has been apparently entirely cooperative and frank in his responses. We have a feeling that he has been telling us the full story.

Senator **Hickenlooper**. Has he refused to take a polygraph examination?

Secretary **Rusk**. I am not sure whether that has been put to him.

Senator **Hickenlooper**. It would seem to me that would be the first thing that ought to be done.

The **Chairman**. Confession is, perhaps, the first, if they could get it, and then later if they needed it——

Secretary **Rusk**. I am not sufficiently familiar with the actual procedures to know whether that is normally done or not, or whether it is frequently done.

PROVOCATEURS ARE FREQUENT PROBLEM

Senator **Morse**. Was the woman employed by the Polish Government?

Secretary **Rusk**. We have no sure evidence of that. There is certain circumstantial evidence, for example, the speed with which she got her passport to come to Germany on vacation; and the ease with which she moved around in circumstances where Polish citizens find it difficult to move around.

We think it is just possible that she might have been a provocateur, but we just cannot know.

This matter of provocateurs is a frequent problem behind the Iron Curtain. Again, I say, we try to keep our people very much alert to this problem, and quite apart from the general standard of conduct that we expect from our officers.

THREE ISSUES AT VIENNA TALKS

Mr. Chairman, if I might turn to the Vienna talks, I do appreciate the chance to go into matters that were discussed there, because certain ones do pose some very serious issues in the weeks and months ahead. We will be discussing a number of them with other governments; are, already in fact, to an extent now.

When the President headed for Vienna, he had some prospect that at least we might clarify the Soviet position on two points in which we were very much interested. One of them was the nuclear test discussions in Geneva, and the other was the situation in Laos.

We anticipated that Mr. Khrushchev, on his side, would wish to bring up the Berlin and German question, so these were the three principal specific questions which were discussed.

On the nuclear test talks, it became apparent very quickly that the Soviet Union was not going to let the discussions in Geneva come anywhere close to an agreement, to a treaty.

TROIKA DOCTRINE

The so-called Troika doctrine, which was first advanced by Mr. Khrushchev last September at the United Nations, in his attack on the Secretary General, appears more and more to have been a fundamental policy decision which the Soviet Union is now prepared to apply at every available opportunity.

At Vienna, and I think Senator Morse, since you were on the delegation last year, you would be particularly interested in this, he made it overwhelmingly clear that the occasion for their enunciation of the Troika doctrine was the role of the Secretary General in the Congo.

He developed that at considerable length in the discussion at Vienna. He said that the United Nations had put troops into the Congo, that the Secretary General was making decisions about the employment of those troops which were independent of, and, in his judgment, divergent from the authorizations of the U.N., and that the vital interests of the Soviet Union were being affected by a single man whom he said he could not entrust with their basic interests.

He, I think, put special emphasis on this matter of controlling troops, but he also referred to other aspects, the handling of the finances, the administrative arrangements, and issues of that sort.

When one recalls the circumstances in which the Soviets were making a substantial play in the Congo, then the Soviets were ejected from the Congo and their ambitions in that particular territory were largely frustrated by the U.N., one can see something of the seriousness with which Mr. Khrushchev took this point.

DEVELOPMENT OF THE U.N.

I think it might be worth commenting, however, in passing, that in the consideration of one who has been away from the official U.N. business for a decade, I felt that things had been happening in the United Nations which were, perhaps, growing beyond the strict understanding of 1945; that, in fact, the Office of the Secretary General was growing, and from our point of view, in a very constructive way and, for example, the Secretary General has referred to himself in the recent year or two as the chief executive of the United Nations.

Well, back when the charter was signed, he was the chief administrative officer. He was the principal administrative officer of the Secretariat.

Whatever one thinks of this line of development in the U.N., it is not entirely surprising that Mr. Khrushchev begins to get nervous about it, and wonders whether this would be in line with his or with their interests or their original understanding.

Second, in the matter of disposing of troops under the charter, and the control of U.N. forces, that clearly was intended at the beginning, anyhow, to come under chapter VII of the charter, which is a veto, and the arrangements under which you would expect a veto to apply.

So this attitude is not, I think, entirely surprising in view of the developments of the U.N., despite the fact that we ourselves would find it difficult to accept his interpretation of it right across the board.

NUCLEAR TEST BAN DISCUSSIONS

Applied to the nuclear test ban discussions, he made it entirely clear that the administrator of any inspection and control system would have to be a three-cornered administrative arrangement, which would give a Communist a veto on the actions taken.

He did not put all of his emphasis on this doctrine of the Troika simply as a doctrinal matter. He also emphasized very strongly that until there is general and complete disarmament, until there are, in effect, no armed forces capable of moving across national frontiers, that any inspection and control internationally administered is, in effect, espionage.

He emphasized all over again the point that we, of course, have known about for a long time, that they look upon the secrecy of their system as an important adjunct of their strategic position, and they were not prepared to surrender that secrecy in connection with the nuclear test discussions.

He, therefore, proposed that the nuclear test discussions be merged with the negotiations on general and complete disarmament which come up after July 31, provided there can be an agreement on the forum in which those negotiations might occur between now and July 31.

We have felt it would be a great mistake for us to agree to the merger of these nuclear test ban talks with the general disarmament talks because by getting enmeshed there in what is almost certain to be, at best, a protracted negotiation, we would find ourselves in a position of having to go along indefinitely with the moratorium on testing, without much assurance about what might be happening beyond the curtain, and yet without any inspection and control which we have considered to be fundamental in making any significant steps in disarmament.

Mr. Khrushchev repeated what is included in the aide memoire which he handed us at the end of the meeting or which one of his staff handed us, that given general and complete disarmament, we could have any controls we wanted.

When we asked whether he would apply the same doctrine of Troika to stages on the way toward general disarmament, he said, no; he said he thought that this principle would not necessarily apply to these stages.

When we then raised the question as to whether a nuclear test ban might not then be stage one, he said, no, this was going too fast; that he would have to insist that other questions were much more suitable as opening stages on the way toward general disarmament.

He mentioned as bases, he mentioned the use of nuclear weapons, and he mentioned conventional forces as taking priority in his mind over any nuclear test ban.

QUESTION OF RESUMING TESTS

Well, we, facing, therefore, the certainty or the almost sure certainty, that the Geneva negotiations are not going to yield any results, and we shall have to come to a decision as to whether in our own national security interests we might have to resume certain types of testing, even though we are prepared to continue discussions, both at Geneva and in general disarmament negotiations.

The question of resuming tests is a difficult one. It is one which does indeed involve important national security issues, but it is also one to which there is, and is likely to be, a lively response in world public opinion, and so we are giving that most serious study at the present time.

I might say that we do not see any particular need to get into atmospheric or oceanic testing involving fallout; that the primary issue is that of possible underground testing where the fall-out problem is not present.

Although there has been very strong support for our position at Geneva in the negotiations, and in our readiness to file an actual treaty which seemed reasonable under all the circumstances, and which seemed to be one which anyone with serious interest in testing ought to be willing to accept, we are not at all sure that favorable public opinion on that issue would transfer over if we felt we had, in our own national security interests, to resume a certain amount of testing.

I think that, perhaps, I should also say that a Soviet group is arriving in Washington the beginning of the week to begin discussions on general disarmament. The first subject there will be the matter of the forum in which such negotiations might proceed.

THE WORLD IS NOT DIVIDED IN THREE PARTS

The Soviets walked out of the Committee of Ten, and have insisted upon a 5-5-5 committee, a committee of 15, 5 Communists, 5 capitalists, and 5 neutrals.

We have felt that it would be a very disadvantageous thing to accept Troika in this connection as well as in other connections because we do not want to help them freeze the notion that the world is all divided into three parts, and we will undoubtedly be suggesting to them the variations of forums in which these discussions can go forward, maybe 5-5, with, say, two neutrals as nonparticipants, or maybe 5-5, plus a considerably larger number of countries selected on a geographic basis, without regard to whether they are neutrals or so-called committed countries, but some formula which would avoid the strict Troika application.

I do not know, Mr. Chairman, whether there are any questions or comments which members of the committee might wish to make at this point on this issue.

The CHAIRMAN. Does anyone wish to discuss this before he goes on to Berlin? I imagine that is the next subject?

Secretary RUSK. I think I might just comment briefly on Laos, if I might.

The CHAIRMAN. Or Laos? Do you wish to ask anything on this?

A NEUTRAL AND INDEPENDENT LAOS

Secretary **Rusk**. Then, on Laos, there had been enough interchange between Washington and Moscow on that subject to make us think that one of the jobs at Vienna ought to be to find out whether there is any possibility of getting together on the idea of the neutral and independent Laos. These words have been repeated back and forth between the two capitals and among other capitals, and yet the situation on the ground in Laos did not seem to reflect any serious effort on the part of the Soviet side to halt the fighting and to move toward actually the international arrangements looking toward a neutral Laos.

Well, on this subject, Mr. Khrushchev said what one would suppose would be all the right things. He reaffirmed their interest in a neutral Laos; he was willing to include in a brief communique that resulted from the meeting, a public declaration that he was—that he recognized the importance of effective cease-fire in Laos, and indicated that the Soviet Union did not have any serious stake in that country, and was prepared to see the question settled along the lines of neutrality.

This came 2 days before the most serious attack on the village of Padong, which was the headquarters of the Mao tribesmen who had been loyal to the government, and had been fighting with the Pathet Lao for some months.

We could not tell whether that serious attack which overran the village, involving artillery and several companies of infantry, some of them Viet Minh, whether that attack came before there was any communication between Khrushchev and those on the scene or whether he simply was willing to brush this past and let them go ahead and take the particular village involved here.

Padong is something of a special case because it is only 15 miles from Xieng Khouang, the headquarters of the Pathet Lao forces, and has been a thorn in its side, an embarrassment for them from the very beginning.

Since the Padong attack was completed, and the Maos withdrew into the, still further into the hills just beyond, the cease-fire now seems to be much more reasonably effective throughout the rest of the country, and it seems as though the discussions in Geneva are getting down now to the actual arrangements which might be made with respect to a neutral Laos.

OBSTACLES TO A SETTLEMENT

There are two major obstacles there toward a satisfactory settlement. One is that the composition of a government is a problem. We have felt this is something the Laotians themselves should work out. The three Princes are to meet shortly to see whether they can agree among themselves as to some sort of government.

Again we do not like the application of the so-called Troika doctrine, if that means that there should be one-third Pathet Lao, one-third neutralist, and one-third government.

There is considerable indication that Souvanna Phouma, the so-called neutralist, is having his difficulties with the Communist side. It is not completely to be excluded that he might come to a better arrangement with the government side, which would diminish or reduce the Pathet Lao position and participation.

But one of the problems about our taking a particularly firm position in the Geneva Conference on such a question is that the Laotians themselves might, in their own internal arrangements, pull the rug out from under any position we take, so we have to be in somewhat of a position of watchful waiting at the present time.

The more important issue in the long run for the conference will be the nature of the control machinery. The neutrals and the Western countries prefer a much more effective watchful and organized control machinery than the Communists themselves are willing to accept. That suggests to us that they are gambling rather heavily on the future government of Laos being under considerable Communist domination.

But on such matters as staffing and authority to move about different parts of the country without the consent of all parties, communications, questions of that sort, the issue turns on whether or not the International Control Commission can be put in position to do an effective job in their surveillance of the country, the supply of arms, the movement of troops, and matters of that sort.

IMPORTANCE OF AN EFFECTIVE CEASE-FIRE

It is not our inclination at the present time to do anything ourselves to break up the conference so long as the cease-fire is reasonably effective in Laos.

We would like to see what the Laotians themselves might come up with as a government, and then see whether we can go on from there.

It would not be our inclination to certify to a neutral Laos in a situation where we could not honestly do so because we would, I think, prefer to abstain from any settlement rather than simply pretend that something was neutral when, in fact, it could not so.

The Soviets, the Red Chinese, the Pathet Lao and the North Vietnamese have shown minor divergencies among their attitudes in the Geneva Conference, but on the main and central issues they have been pretty much acting as a bloc.

I might just close this particular part of the comment with the thought that when the final communique from Vienna stated that the two heads of government recognized the importance of an effective cease-fire, this did not mean that we necessarily accepted what Mr. Khrushchev had to say on the subject as being reliable.

What we were trying to do was to get him publicly committed to the notion of an affective cease-fire, in the hope that this would bring pressure to bear upon the situation on the ground, and assist in bringing an effective cease-fire about. This may, I think, or may not be the result, but that was the purpose of the exercise.

BERLIN WAS ON KHRUSHCHEV'S MIND

During most of the talk Mr. Khrushchev was relaxed, he was affable. He spoke rather casually about many of the questions that were up.

The total conversations lasted, perhaps, 9 hours or 8½ or 9 hours, and with translation that meant that the actual talk was cut down to about 4½ hours. So that there were not many questions which could be gone into in much detail.

But when he came to Berlin, on the last day, he talked with complete seriousness, with a degree of animation, and clearly had come there with Berlin very much on his mind.

He had also done his homework from a briefing point of view, because what he said turned out to be very close to, in sections verbatim, close to the aide memoire which his staff handed to us immediately after the talks closed.

He proposed or announced that it was their intention to bring the so-called state of war in Germany to an end by the end of this year.

He said that 15 years, 16 years, are too long a time to let this state of war continue; that the situation was a threat to peace in Central Europe; that the borders in Central Europe must be stabilized.

He mentioned particularly the Oder-Neisse Line between East Germany and Poland, and the northwestern border of Czechoslovakia.

He mentioned the necessity of translating the demarcation line between East Germany and West Germany into an international border, and to bring the occupation status of West Berlin to a close.

TWO PEACE TREATIES WITH TWO GERMANIES

He said that governments which have been at war with Germany ought to be invited to sign the peace treaty with Germany, and if they could not sign a peace treaty with all of Germany, that they should sign two peace treaties with two Germanies, and if all those who had been at war with Germany were unwilling to sign a peace treaty with East Germany, he was prepared to do so, and that the effect of his peace treaty with East Germany would be to bring the war to an end and to terminate the rights of the Western Powers in West Berlin.

He said that under that circumstance, access to Berlin would be a matter for the East Germans. It would be a part of the sovereign obligations and rights of the East Germans to control that.

Despite Mr. Reston's story this morning, he did not leave the impression that the East Germans would do nothing about the access rights. He made it quite clear that these access rights were subject to interruption by control by the East Germans; that any attempt to use them without—to use them on the basis of occupation rights would be looked upon as a belligerent act; that any acts of enforcement to insist upon access would be met with force, and that the Soviet Union would back the East German Republic.

He did not indicate an exact schedule of what was in his mind, but we got the impression, which he has since confirmed in his speech, that he intended to bring this matter to an issue after the German elections and after the, perhaps during or after the Party Congress which meets in October in Moscow.

There was nothing which he said strictly which was different from what has been said by him before, but I think that those of us who were there got the impression that he was most serious at this point; that he felt himself under considerable pressure on this matter, pressure from the point of view of personal commitment.

Since that time he has also made his own position on it public and committed his own personal prestige to it, and so I think that the present outlook would be that we are on a collision course, and we have to look very carefully at all of the implications of that situation.

U.S. RESPONSE

We are now consulting with other governments on the immediate reply, that is, the reply to the aide-memoire itself.

Our present thought is that we should not attempt at the moment to deal with the entire future of the German and Berlin question, but rather to review the record somewhat, to draw all Berlin into the discussion, because East Berlin is in the same position as West Berlin as far as the law and the rights are concerned; perhaps to offer to submit the question of the legal implications of what Mr. Khrushchev is proposing to the International Court, either directly or through a request for an advisory opinion by one of the bodies of the United Nations, but then take a little further time for careful consultation, both here at home and among our allies abroad, as to how we see the future of Central Europe.

We do not believe that we ought just automatically to sit exactly where we are without looking at all of the possibilities of bringing this Central European situation into a more satisfactory position.

I do not suggest at all that we are considering yielding the rights and safety or the freedom of the people of West Berlin or yielding our rights there. But rather to look at the broader context to see in what way we can make proposals which, if not acceptable to the Soviet Union, would be proposals that are generally reasonable and constructive, and which would begin to build up against the Soviet Union some of the weight of public opinion which made a considerable difference at the time of the first Berlin blockade.

I do not think we should assume that the Berlin question is the only issue which Mr. Khrushchev has on his mind; that certain of his fundamental policies may find themselves in competition with each other, and he might have to make some choices.

KHRUSHCHEV'S COMMITMENTS

I would illustrate that in two points: He seems to have a fundamental commitment to this doctrine of Troika. He also seems to have a very fundamental commitment to the notion of general and complete disarmament.

If he discovers that he cannot make any headway on general and complete disarmament without surrendering Troika, it would be my present guess that he would yield on Troika because the disarmament question is of much more importance to him.

Similarly on Berlin. If a situation can be brought about where his attempt to disturb the present peaceful status quo in Berlin would bring him up against the discrediting of the Soviet position throughout most of the neutral and underdeveloped world, because he has made such—because he is making such a play in that part of the world, he might have to think a long time before he would accept the implications in the rest of the world of a straight power move on West Berlin.

But this is speculative, it is something that is simply part of the problem being taken into account.

I have not concentrated on what was said back to him. I thought the committee would be most interested in knowing what Mr. Khrushchev said in Vienna.

As I say, there was nothing particularly new on this particular point, except that he, I think, is more serious this time than he has been on earlier occasions on this matter, and that we should not underestimate the seriousness of the crisis which we are approaching in the fall.

One of our problems is to get this matter steered off of a collision course if we can do so within the framework of our national interests and our total commitments.

I might just pause here, Mr. Chairman, in case there are questions or observations that the committee members would wish to make on this very important point.

BERLIN AS A "FREE CITY"

The **Chairman**. On the Berlin situation, what would be the attitude of the Department or the Government on, at least, undertaking discussions, perhaps not at a high level, but preferably at a lower level, the ministerial level, of what he means by a free city, and the precise details of the free city? His aide-memoire leaves that a little vague. It looks pretty good up to the last paragraph concerning the question when he ends up by saying, of course, this is all subject to the sovereign rights of East Germany. Until he gets to that point, a layman could read into that what might be a satisfactory solution.

If it is really a free city, with real independence, fully guaranteed access and neutrality, and all of that——

Secretary **Rusk**. I do not think that we would be inclined to boggle over a term. This term "free city" is something which has to be given some content. It would be difficult, I think, Mr. Chairman, to accept nothing but assurances on this matter of free access or protection of Berlin because we have those assurances. We have had those assurances all along.

In other words, to substitute some new assurances for the ones we have now is not necessarily, and at the cost of withdrawing American or allied rights and allied troops, is not a very promising transaction.

The **Chairman**. Well, as I understand it, he said that everybody could have some token troops. All we have there are some token troops, 11,000.

Secretary **Rusk**. That is right.

The **Chairman**. I would call that token. He says you can have troops; neutrals can have troops; U.N. can have troops, and he says guaranteed free access, and so on. That is what you have now, is it not?

Until you draw the line and say you are going to fight, then the precise details of what he means—does he mean that he would be willing or would he be willing, to guarantee a noncancellable, that is, an absolute right of access, a specific corridor, for example, that is not subject to interference by East Germany whenever they wish? That is what I mean, and not only East Germany's guarantee, but everybody's guarantee, including the United Nations, if you like. I do not know how many guarantees you like, but it is agreed certainly by both countries that this is the situation.

WE DO NOT WANT TO TALK ABOUT THIS

I do not wish now to press you on the details——

Secretary **Rusk**. Yes.

The **Chairman** [continuing]. But it is rather the idea of why isn't this item one on which discussions could take place?

Secretary **Rusk**. I think, sir, that there will be discussions in the fall on the matter. I think we have got a round of discussions with our own allies on the matter first, and I do not believe there is any disposition to think that all we do is sit exactly where we are without taking a look at any other ideas or any other solution.

The **Chairman**. This is a very common thought. Editorials I have read indicate this is the position of a great many people, that we do not want to talk about this at all.

Secretary **Rusk**. Well, the critical thing is what happens to these—two points—what happens to these 2½ million people in West Berlin? What happens to the position of the West and its guarantees with respect to the independence and freedom of these people in Berlin?

The second point is not necessarily in contradiction to a variety of possible solutions. But we will be, I think, extremely reluctant to accept verbal assurances about the safety of these people against the background of what seems to be a real determination to liquidate this threat of West Berlin or this pressure of West Berlin on East Germany and on the Communist system.

EXODUS OF TECHNICANS AND SCIENTISTS

The **Chairman**. As I understand it, one of their principal complaints—there are many, propaganda and comparison, and so on—but recently they are particularly disturbed about the exodus of their best technicians and scientists.

Secretary **Rusk**. That is right.

The **Chairman**. I understand the airplane industry in East Germany has practically had to close down because of the loss of the people who were skillful enough to run it.

Secretary **Rusk**. That is right.

The **Chairman**. It is a tangible direct loss. I do not think I make myself clear. It seems to me now we are relying upon agreements, that is, agreements made as a result of conquest. We still would be relying on agreements.

The only sanction of it is between the nations, their power, or the fear of the other's power itself; it is that way now, and it would be then.

But this would be a different setup for Germany if we had—for Berlin—the same guarantees that it has now. It would be in a different framework.

BOXING THE COMPASS OF POSSIBILITIES

Secretary **Rusk**. You would not object, Mr. Chairman, if we took a look at all Berlin and not just West Berlin?

The **Chairman**. Oh, sure. I would think that would be the thing to propose, if possible, that it ought to be done. I am not saying I would agree to this. I am just exploring the idea of getting off the spot that we apparently are on, and many people think we are on that we won't talk about it, that we have got the only possible solution now, except the unification of Germany and restoration of Berlin, the capital, which seems to me utterly unrealistic.

Secretary **Rusk**. It is a little difficult for us to say to people that we are boxing the compass of possibilities in this situation without causing jitters.

The **Chairman**. I know. That is what bothers me, too, about this, and I wondered if at lower levels it could be, for example, done, to make an inquiry as to what would happen if you addressed an inquiry to Germany, to Russia through diplomatic channels, "What do you mean about this? What does this language mean?" Would you get a response or not?

Secretary **Rusk**. Could we go off the record here for a moment?

The **Chairman**. Yes.

[Discussion off the record.]

The **Chairman**. Back on the record.

COMPETITION IN UNDERDEVELOPED NATIONS

Secretary **Rusk**. Khrushchev obviously looks upon the neutralist part of the world as the great grazing ground for further Communist expansion, and he thinks that they can beat us in this competition in the so-called underdeveloped parts of the world, and he is going to do it by moving in at the level of the common people, the ordinary people, the peasant psychology, the proletariat.

He thinks that we are going to be in the position of the gendarme of the status quo, and we are going to lay our bets on losing regimes.

Senator **Church**. Aren't we doing that, Mr. Secretary?

Secretary **Rusk**. This is a serious problem. This is one of the reasons why the President has tried to get the psychology of this Latin American effort into the Alliance for Progress.

That is why we have got a special problem in several of these countries like Korea, South Vietnam, Iran, Haiti, certain other places that I want to talk further with the committee about, because if we go in or if we try to sustain regimes that cannot survive, and they come in and somehow find a way to enlist the energies and the loyalties of the people themselves, in the long run he is sure they will lick us. He is sure they will do it.

KHRUSHCHEV DISCUSSES CUBA

Senator **Morse**. Did he say anything about Cuba?

Secretary **Rusk**. Yes, sir. He said that he did not know whether Cuba was Communist or not. He says he thinks they are. He says he thinks they will be because they have been helping them. But he said he had never, I think he indicated he had never, heard of

Castro until Castro actually got to Havana, something of this sort, you see.

I found this a little difficult to accept at face value, but he is inclined to say that they will make their best headway where we make mistakes in trying to support the wrong people.

Senator MORSE. Did he indicate that their plans for Cuba were limited to economic or did he indicate any implied threat of military assistance?

Secretary RUSK. We did not discuss his military assistance. We know he has been giving Cuba military assistance. He did not indicate that there would be any assistance backing by Soviet forces in Cuba, but he did make it clear that he had, they have, their eyes on some other regimes in Latin America, where he thinks the situation is ripening for the kind of revolution that they have in mind.

COMMUNIST BODY BLOWS TO THE WEST

I think that relating back to the Berlin thing for a moment, I think he is feeling that the time is ripe for the Communist bloc to deliver some body blows to the so-called Western World by undermining our position in a number of places and, of course, Berlin is one of the most productive there in terms of prestige and confidence within the alliance as well as the reputation of the alliance outside the West.

This is, I think, the very serious part of Senator Hickenlooper's point, because our commitments to these 2½ million people in West Berlin are serious enough, but the chain reactions in this are in Western Europe or other parts of the world, and could be very serious indeed.

FORMALIZING BOUNDARIES OF EASTERN EUROPE

Senator CHURCH. Mr. Chairman, I have to go and I have just one question I would like to ask. I would like to stay all the time, I hate to miss any of this, Mr. Secretary, but is it possible that we may make a mistake in not accepting or in making complicated some things that might be simple? I remember nobody believed Adolf Hitler, and they had all kinds of complicated and profound interpretations of things he was doing, and he just stated very clearly in "Mein Kampf" again and again precisely what he was doing, and no one would listen, but nevertheless what he said he was going to do he did.

Now, in this Berlin crisis, it seems to me that Khrushchev has said in one way or another—and you would certainly be in a better position to know—that the reason he is willing knowingly to risk what might be the destruction of all of civilization in an all-out thermonuclear war just to change the status quo of Berlin, which, in itself, does not constitute any great peril to the Soviet Union, is because he thinks it is of great moment to the Soviet Union to regularize the boundary lines in middle Europe, and to establish them with a commitment on both sides to recognize and guarantee them.

He intimates that he is fearful if this is not done then with the growing military organization, and his phobia over nazism of West Germany, that they will seize upon this lack of general international agreement when they are strong enough to move against East

Germany, and this could constitute a real dagger at the heart of the Soviet Union.

Now, he intimates in one way or another that this is the reason why the present status quo in Berlin is unacceptable.

Isn't it possible that this might be the very thing that causes him to risk so much in seeking to change the status quo?

Secretary **RUSK**. Senator, first, I am not at all sure that he believes there is that much of a risk, but let us pass that over for a moment.

Senator **CHURCH**. Yes.

Secretary **RUSK**. I think he has some serious doubts in his mind that this is much of a risk.

Second, I think he is very much concerned, more than we would suppose that he need be or ought to be, he is very much concerned about formalizing these boundaries in central and Eastern Europe. Whether this is because he is under pressure from the Poles or is having difficulty within his own Communist world or whether he is genuinely disturbed about the revival of West Germany or what it might be, it is a little hard to assess accurately, but no, he did not throw in his discussion of the Oder-Neisse Line and the Czechoslovakian frontier and the East German demarcation with East Germany as simply incidental. This was a central part of his presentation.

Senator **CHURCH**. Yes.

Senator **RUSK**. Now, if this is so, I think there is some room for discussion on this sort of question.

General de Gaulle has already said the Oder-Neisse Line is already out. The West Germans have already said that we are not changing those lines by force, so if this is central to his thinking, there is room for palaver.

A NEW STATUS FOR BERLIN

Senator **CHURCH**. Yes. And if this is central to his thinking and the reason why, although you say he may not fully appreciate the extent of the risk, certainly he knows the potential risk that is involved there. It is very great indeed.

It seems to me that it is possible, at least for us, to affirmatively propose a new status for Berlin which need not involve any de jure recognition of the East German Republic. It might, in fact, require us to have some dealings with them, but would, nevertheless, represent a net gain for the Western World and, perhaps, a very positive gain for us in the arena of world opinion. This would still permit him to secure the thing that most concerns him, namely, a more definite regularization of the lines of demarcation in middle Europe.

I think this is possibly negotiable now, if we are in a mood to negotiate. The longer the effort is postponed the more difficult it may become.

Secretary **RUSK**. This is an interesting line of thought, because when you look at the situation here in central Europe and Berlin, with the possible exception of the refugees, there is not much there that is really bothering very much as we would look at it from our side. After all, the place is at peace. He can't realistically suppose that we are all going to attack him in this situation of a nuclear stand-off.

The Berliners are getting along all right. They are not bothering people very much. It is access for these refugees to escape, and I suppose that is a serious question for them, but by and large you wonder why he is making such an issue of this when the situation has been relatively quiet over a long time, and the thought about formalizing and stabilizing these frontiers in Europe may be central in his thinking. It certainly is an important part. He put great weight on it in his discussion in Vienna.

WE HAVE TO STOP THEM SOME PLACE

Senator **HICKENLOOPER**. May I comment on your statement of not believing Hitler in "Mein Kampf." I agree thoroughly that we didn't believe Hitler in "Mein Kampf," but are we believing Mr. Khrushchev? The Anschluss with Austria was a part of a step in conquest of Mr. Hitler, the discrediting of the West, the isolation of Berlin and the loss of confidence of our so-called allies with the neutrals if we surrender on Berlin and if we give independence to Germany, would be a tremendous step in what Mr. Khrushchev or the Communists' ultimate purpose is.

It was the ultimate purpose of Hitler that we didn't believe particularly and that we didn't take steps to protect against, that is the Western World. Now the ultimate purpose of the Communists is world domination, and I think that Germany, Berlin and these other things are only stepping stones in a constant march toward that ultimate purpose which has been basic with them all the time.

Senator **CHURCH**. I don't think there is any disagreement here.

Senator **HICKENLOOPER**. We have to stop them some place.

Senator **CHURCH**. I don't think there is any disagreement between us on this point, and I would certainly not want to advocate, nor do I think the Secretary or the administration would ever be party to, any kind of an agreement changing the status of Berlin, to in any way either discredit the West or to contribute to Berlin's isolation.

But to assume that there is nothing except the present status that is acceptable to the West or might not even be of greater advantage to the West doesn't seem to me to necessarily follow. The present status is not very good from our standpoint or from theirs.

So I would only say no, of course, to negotiation that would lead to a surrender of Berlin or a weakening of our position there which would be a blow to Western prestige, and I would assume would be something that we would be unwilling to negotiate.

I am looking only to the possibility of a negotiation that might solve Khrushchev's problem and, at the same time, be a creditable solution to the Western World, and I don't think if we are going to say that is impossible, then we will just step behind our guns and wait until the shooting starts.

Senator **HICKENLOOPER**. I agree there are several solutions to the Berlin situation which would not necessarily mean complete unification or anything of that kind, but would still be advantageous and helpful and acceptable to us. But I can't envision any of those solutions which would be at all acceptable to us that the Russians would think for 1 minute of accepting because it would be a block in their major master plan, which is world domination, and I am just convinced that they are not going to settle on any terms except such terms as will advance that master plan of theirs, and that Berlin and East Germany are only an incident to this view to them, although very important.

SOVIETS ARE NERVOUS ABOUT THEIR SATELLITES

Secretary Rusk. Senator, I don't want to appear to be unduly optimistic, but I think it is entirely possible that the Soviet Union is getting nervous about the so-called satellites of central Europe. I think there is a steady movement of not anti-Communists in these countries necessarily, but resistance to Russian imperialism.

I was in Budapest just after the fighting there. I went in with the International Red Cross to see if anything could be done about rebuilding the medical facilities of the university that had been destroyed in the fighting, and it was a really moving experience to see how utterly disenchanted these Hungarians were with the Russians, not because they were Communists--some of the people I talked to were Communists officials—but they had as much as they wanted of the Russians.

There is some of the same feeling in Southeast Asia with respect to the Chinese, not because they are Communists but because they are Chinese. I think if the Russians are feeling the pressure of this nationalism in central Europe, they may want to get these boundaries stabilized and get the thing settled down a bit as a part of their effort to consolidate their position there, you see.

Senator Hickenlooper. If that is true, and I think there is some reason to hope that it may be to some degree true that they are having their troubles, that would mean that then we, for the first time—maybe not for the first time, but for a long time since World War II—will be dealing from strength. I mean from the standpoint that they are having their own internal concerns at least about these things, and I don't believe when you are dealing from strength that you should be surrendering.

SHOULD NOT REGARD ANY CHANGE AS SURRENDER

The Chairman. I don't know if the only alternative to status quo is strength in changing the status. I think if we say we regard any change as surrender, then it becomes such in the minds of the world.

Secretary Rusk. That is right.

The Chairman. If we take that view that any change is a surrender, why in a sense it makes it so, insofar as opinion is concerned.

Senator Hickenlooper. I always get back to Chamberlain. He said we had a victory at Munich.

The Chairman. I don't think the situation is necessarily analogous, and there is another aspect of it. I must say we have committed ourselves in many directions but I am not at all sure were wise, and the proceeding is most unusual that we should be in the position now, after what Germans did in two wars, to be willing to wait on our allies.

I mean this is kind of an absurd position we find ourselves in, frankly. I don't feel quite as committed as some people do to the Germans. I don't wish to abandon them, but I don't wish to go overboard.

I don't want to lay down the United States, with 180 million people, over 2 million Germans, when they were trying to destroy us 15 years ago. There is something ironic about the position we find ourselves in.

Senator HICKENLOOPER. I don't believe it has been put in the position of just defending Germans as Germans. You might say the same thing about Mexico. If Russia attacked Mexico, are we wanting to lay down a good many thousands of lives just to save Mexicans. I wouldn't think we would.

The CHAIRMAN. I think that is our own survival. I am not at all sure but I think the existence of Berlin in the present status is necessary for the continued security of this country.

We got into a lot of these commitments under circumstances that are entirely different from what they are now, and our power was very different, and certainly in private life we find ourselves sometimes in business overextended, and we have to adjust to it whether we like it or not.

I have seen many of my friends who overextended, that had to change their way of life. They didn't like it a bit, but they did.

I don't know whether we are capable of doing it. This is an exposed position. We made the mistake, the stupid mistake, of allowing this to arise, and when you make mistakes, you usually pay for them one way or another.

I mean if we had any foresight when this came up, we could have had an entirely different status in Germany, but we had a bunch of generals running the show, and they had no thought of egress or ingress or political considerations, and we made stupid mistakes.

Sooner or later mistakes come home to roost, and this is one of them I think. I feel the same way about Korea, but that is another matter. But I don't like to take the position that any change is a surrender. I am not very optimistic that he will accept what we might propose, but I don't see anything wrong with proposing.

CONCERN OVER GERMAN ELECTIONS

Secretary RUSK. Mr. Chairman, I wonder if we could leave it that we are discussing, or will be discussing with other governments, and with this committee, the range of alternatives we might look at here, but at the same time pointing out that these are not issues which certainly, during the German election, can be talked about.

The CHAIRMAN. I agree with that. You have to be very careful, and I don't want to say anything publicly about it myself.

[Discussion off the record.]

REEVALUATE U.S. COMMITMENTS

The CHAIRMAN. You see in the paper everybody is belaboring the British for being soft on Berlin. I don't know if they are soft on Berlin or not, but the British have been around a long time, and they have seen lots of changes in the world. In many respects they are the most sophisticated people politically in the world.

I don't know whether they are soft or not, but I think they are extremely reluctant, after what they have been through with the Germans, to say, "We are ready to lay down our lives for Berlin."

I think this goes against them I am sure underneath. It wasn't very long ago when the Germans were bombing London. These things change about. It wasn't very long ago we were trying to destroy Japan. Now we are just as cozy as the devil with Japan.

These things are very fluid and they are not forever good. I just think we ought to have an open mind about it.

I was hoping you and this New Frontier would seriously reevaluate a lot of our commitments and see if you are certain that we are committed just the way we ought to be, if there aren't some other possibilities.

This idea that the Russians and communism—if you take something that is there forever and you never dislodge them. Look what is happening we hope and think, maybe, in Egypt. A few years ago everybody was saying they are Communists, they are gone, they are hopeless. We cut practically everything having anything to do with them.

Now I think we detect a good deal of hope. This has changed around. They are also getting disillusioned with it, I hope and think. Iraq the same way. We practically wrote Iraq off to the point of sending in troops. We thought Iraq was going Communist and we sent troops to Lebanon to keep them from taking over there.

Well, it has turned around now, and I don't know anybody that thinks it is Communist, because of a growing strength within it. It is fluid. I am not certain about it.

I just have the feeling we haven't really given these things thought from the new angle. We have accepted without thinking commitments that were made in a bygone era. They may still be sound, I don't know, but I don't believe we have thought about them as deeply and as objectively and in relation to our capacity under new conditions to continue them.

Secretary **Rusk**. I would be happy to comment on that. If I may, I would like very much to, but I think the Senator had a question.

GIVING NUCLEAR POWER TO GERMANY

Senator **Morse**. Along the same line, I would like to hear if Khrushchev has said anything about the alleged Russian fear of our giving nuclear power to the Germans. I certainly fear it very much.

I have never shared the point of view that the Germans should get anywhere near a warhead, and it is not in the interests of the peace of Europe to give the Germans nuclear power, and I think it is quite possible that if we go forward with that program, the Russians are going to take the gamble, figuring if we are going to let Germany join the nuclear club, she had better take the gamble and she will fight.

Secretary **Rusk**. He spoke in general terms of German rearmament. He did not make a special point of the nuclear weapons, but he did allude to that. There is no question that they are serious about Germany as are the Poles.

The **Chairman**. They have a right to be.

Secretary **Rusk**. Yes.

The **Chairman**. Everybody ought to take the Germans seriously.

Senator **Morse**. That is what I think.

Secretary **Rusk**. Mr. Chairman, may I make some remarks that I hope won't be misunderstood, on the point to which you just alluded about our commitments around the world.

SUSPICIOUS OF SOVIET MOTIVES

Senator **Carlson**. Mr. Chairman, if you are going to leave the room, I think the chairman brought up a matter. I am suspicious of every move on the part of the Russians. I have had a feeling recently that they are starting some of these moves at the present time to interfere in the German elections, and I think we must be very careful.

I think they have the feeling they can come much more nearly dealing with a German socialist government than with Adenauer. I am suspicious of their moves at the present time, trying to get us involved in some kind of meetings and arrangements that will have an effect on the election. I think that would be disastrous from the standpoint of the West. Maybe I am wrong, but that is my feeling.

Secretary **Rusk**. One of the possibilities might be that we ourselves will insist upon a conference to talk about Germany and Berlin say in October.

Senator **Carlson**. After the election is another thing, but I think Russia is starting now to do a lot of stirring around in this field with the elections coming up.

I think from what I have read and what I think we all know about the Russian people, they would be very happy to have a new regime in Germany, and I think they feel they could deal differently and better with a socialist government. Whether we could or not, that is something else, but I think we should not get caught being involved in interfering with the elections.

AMERICAN COMMITMENTS ON SINO-SOVIET PERIPHERY

Secretary **Rusk**. Mr. Chairman, on the matter of commitments, it is true that we have very widespread commitments with more than 40 countries. Most of those are around the periphery of the Sino-Soviet bloc.

One of our problems now is that the Sino-Soviet bloc is finding ways to leap over those alliances and go around them and try the outflanking movement in the continent of Africa, Latin America, and further south in Asia.

I think there would be no great problem in our reducing our commitments if this Sino-Soviet bloc were more or less passive in their present situation and giving their energies to the development of their countries and their own people, but they have an expansionist doctrine, and they are backing it with action, and this is the thing that gives us our problem.

I will say quite candidly to the committee that when I was in government before, up until 1952 I did not think that it was wise to move in the direction of SEATO and CENTO, not because these areas weren't of vital importance, but because I felt that security arrangements would not be solid and viable unless they genuinely included all of the countries in the areas affected, and that a splitting up of these countries as between those who were willing to make commitments and those who are not, could create some extremely complex and potentially dangerous situations.

Now this is, however, not just a question of whether a new administration wants to review these commitments because these commitments are there. SEATO was adopted eight or nine to two up here in your House. These are commitments of the United States, and what the United States does about its commitments is all important right around the globe, including Western Europe.

I mean there are Europeans today, for example, who are nervous about Laos, because they wonder whether this means anything about how America approaches anything that they consider to be our commitment in that area.

BUILD RELATIONSHIPS BETWEEN U.S. ALLIES AND NEUTRAL NATIONS

I think there are ways in which we can move to better our position insofar as commitments are concerned. One of them is to try to build relationships between those countries in these areas that are committed to us and their own neutral neighbors, and if Pakistan, India, Burma, and the countries of Southeast Asia could develop any sense of regional responsibility, not on security lines but regional association and lively interest in each other, then if there is pressure on one or penetration of one that would cause a sharp political reaction in the other, the political pressures against the Soviet Union on such a move would be very large and would be something to build on.

I personally feel, for example, it would be a great advantage if Burma could review their decision not to be a member of the Commonwealth. I think Burma feels a little isolated and alone where she is now.

If the Asian members of the Commonwealth could take the initiative to arrange for her to be invited to rejoin the Commonwealth as she might well have done, had the Indian example come before her independence, then this Commonwealth grouping is an element of security, of stability, behind which we stand in secondary reserve without a direct and immediate frontal commitment in that situation.

SINO-SOVIET DOCTRINE OF EXPANSION

But the thing that concerns me about taking our national commitments too lightly is that even neutrality by and large is possible only because Sino-Soviet power is, to a considerable degree, directly confronted by the United States, and if that were not so, I think we would find such pressures against these that genuine neutrality would be very difficult to conceive, and that in that process we would be so outflanked and circumscribed that we would lose our own national security by the continual extension of the influence and power of the Sino-Soviet bloc into other parts of the world.

I mean they have a doctrine of expansion which is not just theoretical. It is a doctrine of expansion which they are backing with whatever means are more suitable at the time.

At the present time it is nonmilitary insofar as armed formations or nuclear war are concerned.

RESTORING LAOS TO GENUINE NEUTRALITY

We tried this on as one of the first moves in the new administration with respect to Laos. Quite frankly we felt that the actions taken last December with respect to the coup d'etat may very well have convinced a good many people, not just in the Communist bloc but also neutrals in Asia, that we had national ambitions in Laos of a military character.

We tried to restore this position to the position of a genuinely neutral country. The Soviets said to us yes, they agreed it ought to be neutral too, but they have not responded to this effort on our part to move to keep us both out of a struggle here in Laos.

They continue to press it. They have made it extremely difficult for us to look anyone in the eye honestly and say that we think we are moving toward a neutral Laos.

They had full opportunity to do so 2½ months ago, but have continued to press the military advantage until a situation now where the achievement of a neutral Laos is going to be very difficult indeed.

In other words, if we had any cooperation, if we had any indication from the other side that they would be content with their own problems, if they would limit their appetites, it would be possible for us to reduce our commitment significantly over time.

But in the absence of that attitude on their part, if we began to pull out on particular commitments, then I must say I am very much concerned about the rollup effect of this and its eventual effect upon us in our own position right here in this hemisphere.

Now this may be wrong, but I do want to say that we have given a great deal of thought to this. We have worried about it because we have commitments in places where we have little strength locally, where countries give us very little to support, where we are involved with unattractive regimes, but it is the attitude of the United States toward its commitments that makes the difference, and we have these existing commitments.

Now there are certain individual situations that I hope to have a chance to talk to the committee about either today or at your convenience early next week on the same subject, because it does apply to our aid programs. But I think this is a broad policy problem which is of the most far reaching importance.

The CHAIRMAN. It is.

Secretary RUSK. I can assure you that it is not one that has been accepted simply by inheritance or is moving along simply by inertia, but is one that goes to the root of our position in the world as it relates to the Sino-Soviet bloc, given their program and given the actions which they are taking to back it in fact.

COMMITMENTS IN SOUTHEAST ASIA

The **Chairman**. You think these cannot be altered even though you may suspect that because of the broadness of the commitments, that we are incapable of sustaining all of them effectively, and therefore we are actually failing to generate enough strength in those areas of really vital interest to make them succeed, such as Latin America, Africa, the Middle East.

Secretary **Rusk**. I think our commitments in Africa are at a minimum, but in Latin America are pretty far reaching. Let us take again the Southeast Asia situation.

I have discussed with foreign ministers of several of the neutral countries, saying to them that if they think that the actual presence of the United States seems to them to be in any way provocative, and I have tried to assure them as to what our intentions were and what our ambitions were not, that if they think that our presence there is provocative, they could make a very considerable contribution toward reducing this kind of complication and tension in such an area by themselves becoming more interested in the independence and the security of their own part of the world. If Burma, Cambodia, India should show great sensitivity about the situation in Laos, this would be one of the powerful reinforcements that could be given to the security of Southeast Asia, and would at the same time tend to draw the American commitment somewhat out of the picture.

The **Chairman**. Sure it would, if you could get that done.

Secretary **Rusk**. But you see this is something they are unwilling to do. I mean privately the Indians know the importance of our confrontation of the Sino-Soviet bloc.

I think the Indians privately know if they got into serious trouble with Red China, they almost certainly could count on our help. But under that umbrella they are unwilling to give us or give the independence of these nations in this area the kind of support which they are capable of giving.

COMPARISON TO KOREAN ATTACK

I do recall, Mr. Chairman, and perhaps others on the committee will too, that on the weekend of the outbreak of the North Korea attack, there weren't any neutrals out in that part of the world. India, Indonesia, these countries were desperately anxious that this attack be met, and they let us hear from them on it directly and immediately.

The first 10 days of the Korean attack India was seriously considering putting a brigade of combat troops in Korea. When the Indonesian Ambassador came in to hear about President Truman's decision on the Tuesday morning as he left he said "I feel so much better in the pit of my stomach today than I did yesterday, because if the West makes it clear that they are not going to permit communism to overrun Asia, we will be with the West because we prefer to be."

But as soon as the commitment was made, and they were relieved of any sense of danger to themselves, then they turned to lapse back into their neutrality and enjoy sitting under the umbrella.

What we would desperately like to do is to get them to help in this business of independence, partly to reduce our own involvement and commitments. I have said to some of these people who take the view that they are somehow innocent bystanders in a great struggle between Washington and Moscow, I reminded them we have relatively few bilateral issues with Moscow, that what is at issue between us is the security of Western Europe, the Middle East, and Southeast Asia.

If these areas were independent, could take care of themselves, could be left alone, the tensions between Washington and Moscow would reduce very fast, because these are the issues between Washington and Moscow. But I think they are a little surprised when you put it that way, but they haven't yet come to the point where they will help build the strength in these areas that would not require our presence.

HARVEST OF TROUBLES THE SOVIETS WILL ENCOUNTER

The **CHAIRMAN**. But look at Iraq and Egypt as two examples. We did leave them alone and they seem to be two of the brighter spots and somewhere where we have just poured out the money, which seemed to have the most difficulty.

Secretary **RUSK**. Yes, I think in some of these countries where the Soviets don't have quick and immediate logistic access, we haven't had time yet to reap some of the harvest of the troubles that the Soviet Union are going to encounter in many of these countries, just as we have encountered trouble in some of these countries.

I am quite sure, for example, that the Soviets have had their share of problems with the Laotians on their side just as we have had some problems with those on our side, and there will be situations where a certain disenchantment sets in. You see some evidence of that in a place like Guinea, in a place like Mali at the present time. You mentioned Egypt. That is moving quite a distance. Whether this will shift again it would be hard to say.

But I think one of the most serious problems we have is how we deal with the formal commitments which the United States has made, not only on the merits of the commitments themselves given the policies and the program of the Sino-Soviet bloc, but how do we deal with them in terms of the confidence, the reputation, the position of the United States as it applies to those positions that really are vital to us.

EUROPEANS ARE WATCHING BERLIN

Now there are a good many Europeans who are watching Berlin, not because they care very much about the 2½ million people in Berlin, but because they are convinced that Europe, standing alone, could not defend itself against the Soviet Union, and they could only do so with the United States help, and they are testing using Berlin as a testing point as to what we mean by our commitments in these security matters.

I personally don't think that Western Europe ought to accept the notion that the defense of Western Europe is impossible without the United States, given their resources, their population, their position, all of their abilities. It seems to me that this is as much a matter of will as it is a matter of capability.

But nevertheless this is the kind of test we are put to on these particular commitments. I think it could be disasterous if we left the impression that these commitments are unimportant, or if we are likely to yield them, because that would start rolling things up in a good many different places.

DEVELOPMENTS IN LATIN AMERICA

Senator MORSE. Mr. Chairman, if it meets with your permission, I would like to raise a related but another matter with the Secretary this afternoon, because we are meeting this morning on the aid program to Latin America, and it is a very interesting transcript that I am sure you will be briefed on.

There was a discussion afterward and it was agreed that this afternoon I should present a problem to you and ask you certain questions, not only in my behalf but in the behalf of several of us, including, may I say, some of our party leaders in the Senate.

It was during that meeting this morning that the appointment of Ambassador Woodward [2] was announced, and I can assure you that a sigh of great relief went around this table, but it also raises some problems, and I want you to know that the questions I raise are raised because of our desire to be of maximum assistance to you.

This has been discussed quite a bit both in the subcommittee and among members of the full committee. We have been very much concerned about certain developments in the administration in connection with the handling of Latin American affairs.

It is our view that the Secretary of State is the Secretary of State for all foreign policy, and that if we are going to have an Assistant Secretary of State for Latin America, as your officer he should be in charge of Latin American affairs.

And so as chairman of the subcommittee, it was suggested that most respectfully and cooperatively and in a spirit of wanting to help tell you some of the things that are bothering us and get your comments on them.

We have been very much concerned about the impression that has been left up here that there is no one in charge of Latin American affairs in the State Department. We have had the task force consisting of Berle, Schlesinger and Gordon [3] for a while, and then apparently a good one has moved in with Gordon moving out, and our own transcript of record on the Cuban consultations would seem to indicate that there is a very mixed jurisdiction in regard to Latin American affairs.

You do not know of any other task force at the White House level in regard to African affairs, of Asian affairs, or any other part of the world.

We are puzzled as to why we have to have a task force splitting jurisdiction over Latin America, and I thought I ought to raise this with you this afternoon, and see what you are willing to tell us about this situation, and what assurance, if any, we could get that there is going to be a line of command established now and when we want to know something about Latin American affairs we go to you and not to the White House.

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[2] Robert Forbes Woodward, U.S. Ambassador to Chile, was appointed Assistant Secretary of State for Inter-American Affairs.

[3] Adolf Berle, Arthur Schlesinger, Jr., and Lincoln Gordon.

BAD ADVICE FROM THE WHITE HOUSE

Then, I think, and I mean to be politely frank about it, we are a little concerned about some of the advice that seems to have emanated at the White House level in regard to Latin American affairs that we think is pretty difficult to reconcile within the State Department policy.

We are not sure that some of the bad advice hasn't been coming out of the White House level, and would never have been given if the State Department had been in full control.

We know that this is going to be before us when Woodward comes up for confirmation. We think it is better to have this sort of pre-trial, as we lawyers say, and probably get some things settled so that we won't have to go into it in the trial itself. I am enthusiastic about this matter.

As you know, I have had my feet wet a little bit on it, but any alleged intervention that I have participated in I want to assure you hasn't been individual. I have been presenting points of view, joint points of view up here.

We are delighted that there now has been a Foreign Service officer selected. We think it is probably about the only thing that could be done under the circumstances. He is a man, as was pointed out this morning, that has just wide experience in Latin America.

Secretary **Rusk**. He has served in at least a dozen countries in Latin America.

Senator **Morse**. Yes, it is a wonderful background. I don't know him personally, but I like his record. We want to work with you and work with him.

But we want to know where we stand as a Foreign Relations Committee in regard to Latin America, or Latin American affairs, whether or not we are working with you only to be vetoed by a task force.

Now I have been frank and I hope this protocol is possible. I think you know there is a lot more behind it, but we would just like to get the line of command clarified, if you could.

LATIN AMERICA TASK FORCE

Secretary **Rusk**. Senator, I am delighted to respond just as candidly as you spoke. This matter will be thoroughly settled before Mr. Woodward gets your confirmation, so that on that I don't think there will be any issue at all.

The task force was established before inauguration to begin to shape up some sort of a coordinated approach to the entire problems of Latin America, such as the Alliance for Progress idea, the total economic and political relationships with the various countries in Latin America, giving thought to some of these difficult problems of military assistance which are not simple, and we thought that because of the importance of getting more attention focused rapidly on Latin America, that a task force would bring together elements of the different agencies and work at this consistently will be a very useful thing.

Let me say quite candidly, that I hope that this won't embarrass anyone, I think the idea that policy has been made by staff officers around the White House has been greatly exaggerated by the local gossip and local newspapers.

May I say that quite candidly, because there was a period at the beginning when staff officers were assigned various responsibilities of liaison, but these things have shaken down. We have our procedures settled, we have responsibilities clear, and I am sure that that part of it is no problem whatever.

The task force is being disbanded. The assistant secretary will be in charge of Latin American affairs under my direction, and in that sense, the situation returns to normal.

Senator **Morse**. Fine.

Secretary **Rusk**. I could go into this further, but I can assure you that we are aware of this problem.

ASSISTANT SECRETARY FOR LATIN AMERICA

If I may say so, I think that this has been more of a problem of the level of discussion than it has been in fact underneath. I want to say one further thing, that is, that one of my colleagues—since he is not here I will mention him because it might embarrass him—has been carrying on since Assistant Secretary Thomas Mann left, with great professional competence. That is Mr. Coerr.

He has been called before committees recently and he has been drawn into matters in which he had not been personally involved until very recently, and they were things which he had not known personally about.

Senator **Morse**. May I say he did a very able job this morning. He handled himself very well.

Secretary **Rusk**. You can imagine with all the talk about the Latin American post, the man who is carrying on for us may have felt a little battered as a result of this talk.

I want to pay tribute to his competence, steadiness and loyalty during a very difficult period. But we do look forward to getting Ambassador Woodward on the job.

I have known him in the past when I was in the Department. He is a highly competent officer with deep experience in the Department, and is a man who not only will take charge but can take charge effectively.

Senator **Morse**. I have made the point that I think it is a good thing to get out on top of the table. It has been a source of worry to this committee.

Secretary **Rusk**. Yes, I realize that.

The **Chairman**. Any questions, Bourke or Frank?

Senator **Hickenlooper**. No I could sit here all afternoon and discuss it.

MILITARY FOREIGN AID

The **Chairman**. I just want to make one or two observations. I am sure someone has told you of the concern that has developed in some of the hearings on foreign aid.

There has been a feeling, particularly with regard to the military foreign aid, that it is following just the old pattern. It isn't only with regard to commitments.

This question affects only a few isolated countries, but they are extending military aid to some 60 countries, a little bit all around the periphery of the Soviet Union, and a whole lot in a few key countries.

I think it is fairly clear that a number of the members are quite dissatisfied. This morning you should have heard the majority whip. He made, I guess, the most positive statement made of the whole time about Latin America, and the general approach to the problem. If I could summarize it, perhaps it is that we are following the old pattern, giving aid to the established governments regardless of the government's quality or purposes, without any insistence upon the form which most of us believe is necessary, and so on. I am sure you can imagine what it was.

I think that we ought to, when we conclude these hearings, have a few days of further cogitation about this matter. I had the feeling this morning, and I subscribe to a great deal he said, that a rather drastic revision of our approach and purposes in this program ought to be agreed upon.

I don't think we can put it in this bill perhaps. I think it is more an assurance between us as to our purposes in these programs, or an understanding that the committee might be given by the Administration as to how we expect to proceed.

I have, and I know some of the others have, a feeling of hopelessness about a lot of these programs. It hasn't succeeded and it is not likely to succeed unless there is some change in method of application of it, and in the purposes.

I think we have touched very tentatively on it in this direction in the announcements of the Alliance for Progress. This is in the right direction, but there is a surprising skepticism about whether or not this can be done or is going to be done within the limited scope of our procedures.

I mean this morning the Senator from Minnesota was very skeptical about entrusting the Bank with so much of this money. I think for one aspect of this program, the Bank can probably deliver, but in the more critical and important one it probably cannot. It isn't just one sided. You have to approach it overall.

But if you have a chance, if you do have, to have the record summarize it for you—you couldn't possibly read it all. It is a very extensive record. We are all about worn out with it. I am worn down. I am dizzy from the testimony.

Senator MORSE. Could I interrupt at that point?

The CHAIRMAN. Yes indeed.

SENATOR HUMPHREY IS READY TO DO BATTLE

Senator MORSE. To make a suggestion. My suggestion is that you have your top policy men read the transcript of this morning, because I have never seen, never heard the Senator from Minnesota go as far as he went this morning.

He asked Mr. Coerr to notify the President that he would not vote for this bill on the basis of the presentation this morning, as far as Latin America is concerned. Senator Fulbright then good naturedly turned to the Senator and said, "If you are going to be one of the administration leaders on the floor of the Senate on the bill, you had better take heed as to what the Senator from Minnesota is saying."

I have hever heard him going so far. It was no question of speaking off the cuff. He had documentation and material. He is ready to do battle, and I quite agree with what the chairman said.

I think when you get through with the presentation of the administration's case, we had better have a few days' cogitation and informal conferences.

The **CHAIRMAN**. Yes, and we would welcome informal consulation on some of these points that have developed in the hearing.

Secretary **RUSK**. Mr. Chairman, I have kept in touch in the course of the hearings, and I wanted to ask the committee if I could come at a time when most of the committee could be present, in order to get into some of these situations country by country and get into some of the reviews that we have in fact been making.

I think one of the minor problems, and it is our thought that it should develop this way, is that certain of the witnesses have been very new on the job and have not the full background of some of the policy reviews that have in fact occurred.

Now on the military assistance program, for example, we have had very far-reaching discussions about what seems to me to be some of the central questions about the purposes and the situation in our military assistance.

POMP AND CIRCUMSTANCES

What do we do about countries where the military establishment appears to be more a matter of pomp and circumstances than in fact a necessary military establishment under the circumstances.

What do we do about a military establishment which is too large for the economy of the country and not large enough to do the military job that it might be called upon to do in case of attack?

What do we do about circumstances where we have been accustomed to thinking of putting in some military assistance in order to compete with the other possibility of military assistance from the Soviet Union?

What can we do to bring some of these military establishments more into line with the necessary development of the country through civil action?

I mean these questions have been asked and examined and a number of these specific situations have been discussed, and I would like personally to come down and go over these on a country-by-country basis, because I think I will have to say this: That we are dealing at some of these points with other governments that are in a precarious or difficult position. It is going to take a little time to make some adjustments in policy.

I mentioned the Shah of Iran as a problem. We can decide in which direction we would like to move. It is a little difficult problem to move a Shah in that direction at a pace which the traffic can stand.

HAITI IS A DISGRACE

In the case of Haiti, I would like to talk to the committee further about that. Haiti is a disgrace to this hemisphere. I think that we have gotten ourselves on a bit of a treadmill there thinking that all we can do is put some money in the kitty and hope for the best.

The CHAIRMAN. That is a good example of one that was discussed this morning.

Secretary RUSK. Some weeks ago I asked for a study making an attempt to take an entirely new approach to the Haitian problem. I would like to report the results of that to the committee. In other words, I would like to have some time at the wrap-up period, if it is agreeable to the chairman, to come down and talk about some of these things.

The CHAIRMAN. That is what was proposed. I think I detected from what you said about reneging on our commitments—take Korea about which much was said because of the enormous amount of expenditure which has been a terrific drain upon our resources.

Secretary RUSK. Right.

The CHAIRMAN. I was not seeking to convey an impression we should just pack up and leave. It reminds me a little of Berlin. Is there any possibility of a change in our attitude.

DISPROPORTIONATE AID

We went through Laos, now I have heard it expressed that if we had accepted a genuine neutral government, the original Souvanna Phouma, whether he is a real neutralist or not I don't know, but he wasn't our man and he wasn't supposed to be the Communists, but we made a mistake. It was rather asking that you go through a study as to whether or not there is any change to this terrific drain which has now blown up in our face.

We don't know what we have there after putting $4.5 billion into it. Money is not as easy as that to come by. This puny little country that, when we had such a tremendous effort to get $500 million for all of Latin America, it seems quite out of proportion to what we do in other areas, and just how valuable it is and what is the nature of our commitments.

Is it to pour in $4.5 billion over 10 years or is it merely to exercise our best discretion, on how to maintain this from being completely enveloped by the Communists. Maybe it should be a neutralist country, I don't know, with some guarantee.

It seems an intolerable effort to continue further, and the impression you get from the program is we are just continuing it indefinitely the way it has been in the last 10 years.

Now maybe that is all that can be done. I am not asserting that it must be changed.

We are requesting and we hope it is being given the most serious consideration and the best minds of government agree affirmatively now in the light of new conditions, existing conditions, that this is the only policy.

Secretary RUSK. Mr. Chairman, I would deeply appreciate a chance to come down at a time when the committee could give us some of your time, when most of them can be here, so we can get into these situations country by country. I think it is dangerous to speak generally.

The CHAIRMAN. It is. They are different.

Secretary RUSK. I would like to talk about Korea, Vietnam, Haiti, Iran, and some of the specific situations, because I can assure you that we have dug deeply into them, that we have some thoughts about them.

I would like to talk to you about how our thinking has been going on. I agree that as far as the formal presentations of the programs are concerned, there doesn't come out of the printed material the amount of attention and effort that has gone into trying to think these things out further, and I would like to have the chance, if I may, to come down and talk about it.

PEACE CORPS BILL

The CHAIRMAN. That would be fine. I believe we tentatively agreed in that interim we might take the testimony on the Peace Corps to try to keep going. We are so late in the session that we thought while we were digesting that perhaps this would be the much more difficult one.

I anticipated little if any trouble with the Peace Corps, if that meets with your approval. We are planning to take that up next week and try to dispose of it and come back on this.

AID TO LATIN AMERICA

Secretary RUSK. For example, on Latin America, perhaps Senator Morse might be giving this a little thought. It is hard to provide legislatively for what is a very critical difference in what we do in military systems in Latin America.

We do not wish to give military assistance to dictators for the purpose of suppressing their own people. On the other hand, we would like to give some help to men like Lleras Camargo,[4] who is trying to develop the notion of a decent internal security system not only in his own country but hopefully among his neighbors.

It is a little hard to write that into legislation to make that distinction, but I think we should talk this out by country and see if we can't get some——

Senator MORSE. That will help. You might give some thought to it. I know the administration is very opposed to it, but our duties as a committee are to advise you as to what we think the trends are.

We couldn't go through this hearing this morning without recognizing the suggestion I made to the military when I said I would like to suggest to the military that you retreat to the line trenches somewhat behind you, but I have a great deal of difficulty seiling this lifting of a ceiling.

I think there were enough expressions around this table this morning at the hearing to indicate pretty well that even if you could get a bare majority vote out of this committee, it would be a costly vote, and I don't think you could get the majority vote if you just lift the ceiling. There has been too long a struggle in this committee, and so you ought to retreat, as I suggested this morning, to a consideration as to what the ceiling ought to be, rather than no ceiling at all.

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[4] Alberto Lleras Camargo, President of Colombia.

Likewise I think it is a mistake on this Latin American matter to not keep the Presidential check in there. That was a long struggle in this committee too, and is pretty deep-seated in the record of some of the Senators around this table.

You couldn't listen this morning to the Senator from Idaho without recognizing that you will have to convince him before you get either one of those proposals in this bill adopted.

It just happens to be my opinion that neither one of them is really essential to our mutual objective, and I think they could very well become matters of form and not of substance. I put it this way this morning. I said:

> Gentlemen, don't overlook psychological warfare too. We have got some problems of psychology here with this program that I think we have to give some heed to.

Secretary Rusk. Perhaps we can be in touch with Mr. Marcy about a suitable date. I would greatly appreciate that chance before these things get too locked up in the committee's minds because they do need further discussion.

The Chairman. Fine.

Senator Gore. Mr. Chairman, I had one question.

The Chairman. I have to go to a session of foreign students over at the Library of Congress. I will turn the meeting over to you. It is your meeting. Will you excuse me, Mr. Secretary.

AID TO MILITARY DICTATORSHIP IN KOREA

Senator Gore. I will be very brief, Mr. Secretary. I have raised the question or I have questioned the advisability of continuing U.S. aid to the kind of dictatorship that now exercises power in South Korea.

Fortunately it is easier for Senators to raise questions of advisability than it is for Secretaries of State and Presidents to make decisions.

I will be very brief in this statement of my question and attitude. If we give the world, if we give the uncommitted world, whose allegiance we seek, no choice really except military dictatorship and dictatorship of the proletariat, I would seriously question our chance of winning. Yet our constant identification with the growing number of military dictatorships certainly causes me to wonder, and if it causes me to wonder, if it causes Albert Gore, who has supported every aid program beginning with the Marshall plan, then I wonder about the people in Africa and Latin America.

This troubles me and I wondered if that situation could ever be so blatant that we would feel justified in withholding U.S. aid. If so, it seems to me that Korea is just that blatant. I will not describe it to you.

That is what troubles me, and I had wondered what would happen if they were just given the ultimatum either the restoration of the constitutionally elected government in South Korea, or U.S. aid would cease forthwith.

Now perhaps that would be a very blunt thing, but would you address yourself to this general subject, and you may be as brief as I was in stating it. I realize it is almost 5 o'clock.

Secretary RUSK. Thank you, Senator. This is a matter of very great anxiety to us at the moment, of course. Korea started with 50 years of Japanese occupation.

Senator GORE. Yes.

Secretary RUSK. Then 3 years of military occupation by us after the war, then about 11 years of the Syngman Rhee government.

There is a brief period of a constitutional government, and then over the last several weeks this military dictatorship. During all of that experience, particularly during the Rhee period, there was not developed the foundation with anything like a constitutional or democratic society.

WHAT MIGHT HAVE BEEN DONE THROUGH RHEE

In retrospect, one wonders whether we might have done more when President Rhee was there than what was done. But this was a police state, modified in some of its impact by the American presence, and by the necessity of keeping it under some restraint. The constitutional government which was there was rudimentary in its capacity. It was administratively ineffective at key points.

It was, however, constitutional, and we would have ourselves strongly preferred to see that government proceed. We were working with it, trying to help it straighten out its affairs, helping reduce some of its corruption.

The military takeover came largely as a surprise. I mean afterward you can see that there were bits and pieces of information here and there that might have pointed in that direction, but certainly no one called me up on the phone and said, "There is going to be a military takeover." The information didn't point that much toward it.

Senator GORE. Were there any warnings?

Secretary RUSK. As I say, in retrospect there were I gather—they didn't get to me because they weren't evaluated that reliably you see—there were indications that there were dissatisfactions and possibilities stirring in some elements of the armed forces.

One of the problems at the present time is that we are trying to find out who is in fact exercising the power, and we are in a revolutionary moment where the elements of power are still confused.

WHERE TO PUT THE PRESSURE

We are prepared to put on great pressure and we have attempted to do so in whatever way is available to us, but until we identify where the real power is, we don't know where to put the pressure.

Some of these senior officers who are standing out in front apparently are simply there as cover for some colonels and lieutenant colonels down the line who are the real dynamos of power. This is something that we are investigating very hard.

We are trying to press these people to move away from the excessive in political arrests, in the detentions, in the wholesale lineups, the dismissal of civilian ministers and employees, the firing of most of the government servants, things of that kind. We are pressing them on it, but we can't tell you today in this sort of a moving situation what the chances are of real success.

We have withheld certain aid. One of the first things we felt we had to do was to get their troops back under U.N. command because of a possibility of a threat from the North being developed to take advantage of the situation. We have our own troops in there and we have to think in terms of their safety and security in the situation.

I will be glad, on the occasion that we were talking to the chairman about, to go into this in more detail, but I hope by then we will have better information than we have today on exactly what is happening inside that government.

A POINT WHEN U.S. AID SHOULD NOT CONTINUE

Senator GORE. I am willing to await that. As I say, I haven't urged this, but I seriously question if this isn't so blatant that there just ought to be a point beyond which U.S. aid would not continue, and, of course, you know that you have budgeted for this area 10 times as much as we are spending this year on all of Latin America combined.

It is fantastically costly as an operation. Now the situation you have described, let me remind you, is much like the situation was in Egypt when the front officers were men upon whom we thought we could rely.

Secretary RUSK. Yes.

Senator GORE. But the real power behind the throne was a young colonel named Nasser, and temporarily it seemed to be leaning our way, but I am not very sanguine about it. Well, we will await, but this is one of the problems that needs reassessment.

Secretary RUSK. Senator, this raises—and I don't want to prolong it unduly—a very interesting point.

Senator GORE. I am trying to protect you. I am delighted to hear you.

Secretary RUSK. A very interesting point, Senator. In the private organization[5] for which I worked for the last 9 years on foreign assistance, we had a tremendous bargaining power when we were dealing with the conditions in which we would be willing to contribute support overseas, because we were always willing to take the next plane home. We didn't have to be there.

If they didn't want us there we were delighted, we had too much to do elsewhere, and they knew we were ready to take the next plane home. This turned out to be an enormous bargaining power for the conditions in which your aid would be applied. You didn't have to stay. You never got into that kind of discussion at all.

One of our problems in Government is that in a place like Korea, you go to these people and say, "If you don't do this we are going home," they don't believe you and we can't even be sure we mean it, because of our commitments in Korea.

This is our problem in several countries, where we lose a certain bargaining power because they know we can't abandon ship, and this is one of the most difficult problems in diplomacy, is to press those to whom we are committed.

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[5] The Rockefeller Foundation.

Senator **Gore**. They blackmail us because of our commitments for their own benefit.

Secretary **Rusk**. Yes, sir. I can't sit here and deny it. I wish I could.

Senator **Gore**. The meeting is adjourned.

[Whereupon, at 5 p.m., the committee adjourned.]

INTERNATIONAL DEVELOPMENT AND SECURITY

MONDAY, JUNE 19, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to recess, at 10:00 a.m., in room F-53, the Capitol, Hon. J. W. Fulbright (chairman of the committee) presiding.

Present: Senators Fulbright, Mansfield, Gore, Lausche, Symington, Hickenlooper, Capehart, Carlson, and Williams.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF REAR ADM. LUTHER C. HEINZ, DIRECTOR, FAR EAST OASD/ISA, DEPARTMENT OF DEFENSE; HON. WALTER P. McCONAUGHY, ASSISTANT SECRETARY OF STATE FOR FAR EASTERN AFFAIRS; AND GEN. W. B. PALMER, DIRECTOR OF MILITARY ASSISTANCE OASD/ISA, DEPARTMENT OF DEFENSE

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COMMUNIST THREAT IN THE FAR EAST [P. 854]

Admiral **Heinz**. The Vietcong, the Communists from North Vietnam, are waging an intensive war of infiltration, subversion, sabotage, and assassination in the Republic of Vietnam. The Vietcong have increased their strength in South Vietnam from 4,400 in early 1960 to a presently estimated 12,000. The number of violent incidents per month now averages over 500; killed and wounded alone on both sides totaled more than 3,000 during April and May of this year. The Republic of Vietnam is waging a war for survival. The threat to the peace and security of the rest of Southeast Asia is obvious.

IMPORTANCE OF MILITARY ASSISTANCE PROGRAM

With this picture before us it is well to remember that U.S. military assistance constitutes an integral part of our whole security and defense posture. By assisting to equip and train armed forces of nations in the Far East, our aim is to assist them in maintaining forces of sufficient potential to insure internal security and to create a deterrent to overt Communist military aggression. The equipment we have supplied is designed for conventional warfare as well as antiguerrilla activity.

Our allies in the Far East are in frontline positions against the common enemy. In such a position they add to the forward defense concept of the United States. They provide the necessary warning time to bring U.S. forces into action should the need arise.

PROPOSED FIGURE FOR FAR EAST PROGRAM FOR FISCAL YEAR 1962

The proposed military assistance program for 1962 for the Far East totals approximately $870 million. This is an increase over 1961, due to the need to combat increasing Communist efforts in this area, as previously stated to you by the Secretary of Defense. By far the greatest part of this increase is in Southeast Asia, where the threat is the most pressing.

SUMMARIZATION OF PAST EFFORTS IN FAR EASTERN COUNTRIES

To acquaint you with the results of our past efforts and to indicate the course of action we propose to pursue for the near future, I shall make a few remarks about each country in the Far East.

Japan

Since 1954, the Japanese have enlarged their self-defense forces from 70,000 to approximately 200,000 personnel. Their people are competent, their morale is high.

The army is capable of maintaining internal security and of defending Japan for about 30 days against a force of like strength.

The navy is small but is developing a good antisubmarine capability. It is backed up by an effective shipbuilding industry. The air force is increasing its potential. Japan is producing F–104J all-weather fighters. It has now assumed logistic support and entire operation of the air control and warning stations in Japan.

This spring the Japanese Government requested a NIKE–AJAX battalion. Training of personnel for this unit is underway. The Japanese pay the cost of transportation of their personnel for this training as they do for other training. They will build the base to receive this battalion. Japan now provides from its production or by purchase from the United States follow-on spare parts.

Japan is the most industrialized country in the Far East. It is firmly allied with the United States. Its strength both economically and militarily is growing. The defense of this nation is certainly a most important task facing the free world. It is in our national interest to encourage the development of Japan's forces, particularly in air defense and antisubmarine warfare capabilities.

There is no doubt that past and present military assistance, devoted to planes, on a cost-sharing basis, to missiles and ship components, will be put to a highly advantageous use increasing the defensive capability of this area. We are confident that U.S. assistance has made it possible for Japan to play an increasing role in her own self-defense.

Korea

On the northern pivot of the Asian flank we have the Republic of Korea where Communist forces occupy half the peninsula. The Republic is still troubled with political stability problems. Pronouncements of the present government are strongly anti-Communist.

Military assistance has equipped and trained an effective defensive force. With one exception of the F-86D squadron delivered last fall, all units are combat ready. As a result of the obligation of an armistice agreement by the Communists, ROK forces and two U.S. divisions face a smaller Communist Korean Army which is backed up, however, by 8 Chinese Communist armies in Manchuria, and a superior Red Korean air force of 600 jets.

Last December, the U.S. agreed with the Chang Myon government to reduce the size of the ROK armed forces from 630,000 to 600,000. Although there have been no Communist army or air force attacks, recently Korean Communist naval forces have made repeated attacks south of the DMZ against South Korean fishing vessels and ROK patrol craft.

South Korean forces are deficient in modern equipment, air defense and naval firepower, when measured against the Communist military threat. Limited steps to correct these deficiencies are being proposed in the fiscal year 1962 program.

The recent coup has not changed the responsiblity of the United States for the direction of the U.N. forces in South Korea including Korean forces, nor has it changed the firmly anti-Communist posture of these forces. Military assistance we have given the Republic of Korea has enabled that country to maintain forces capable of deterring Communist aggression. Korea needs military assistance in the future to continue its freedom.

China

In the coming year we propose to provide the GRC with those items necessary to maintain a military establishment reduced from 635,000 to 568,000. This reduction, largely in the army, trimmed fat and ineffectives. We also propose to improve air defense with additional F-104 jet fighters, ground equipment, and missiles for a Nike battalion, and direct support and missiles for the Hawk battalion included in fiscal year 1961.

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Vietnam

Our current program emphasizes improvement through training, reorganization, and better utilization of existing forces; the further development of internal security forces—civil guard and self-defense corps—to augment expanded regular forces; a concentrated effort, in conjunction with non-military programs to eliminate the growing Vietcong threat and to compensate in part for an increasing threat from Laos. The civil guard, now under operational control of the Vietnam Department of Defense will be trained and equipped under MAP, regular forces will be increased by 20,000 and equipment and training will be provided for the 40,000 man self-defense corps.

We believe the effects of our proposed program will be cumulatively favorable and that increased, coordinated, planned effort will progressively limit Vietcong activity and restore internal stability.

Laos

The Communist offensive in Laos engulfs the full spectrum of cold war and combat operations. The objective is a Communist controlled Laos. To obtain their objective, the Communists have deployed within Laos at least 2,000 Communist North Vietnamese troops and military supplies totaling 10,000 tons, half supplied by air in about 2,500 flights. These supplies include 105 mm guns and 57/85 mm radar controlled anti-aircraft guns.

Our military aid has consisted of equipment required for the maintenance of internal security. At the start of the current Communist military offensive, Laos maintained a 29,000 man army. In February this year, the army was increased to 33,000 men in order to resist Communist aggression. Our deliveries of military assistance during this crisis reached a rate of $3 million per month.

Senator GORE. Would you mind giving the tonnage?

I notice you estimate the Communist supplies in tons. What is the amount we have supplied?

Admiral HEINZ. I do not have the tonnage of our supplies.

Senator GORE. Why did you choose to estimate one in tons and the other in dollars?

It is difficult for us to make a comparison.

Admiral HEINZ. The reason was to show the extent of the Communist effort, and particularly in their air effort of delivering supplies to the Pathet Lao forces.

We had a ready estimate of our supplies in dollars rather than in tons.

I don't have it——

Senator GORE. Do you know what the comparison is? Have we furnished more than they have?

Admiral HEINZ. I do not have the comparison available. I will furnish that to you, sir.

Senator GORE. Thank you.

You do have an estimate here of the number of men we have supplied, the size of the army, 33,000. Do you know what size of the Pathet Lao Army is in manpower?

Admiral HEINZ. That manpower has been estimated at 12,000 to 15,000, sir. That also has increased during the past year.

Senator GORE. So the forces we have been supplying is two to two and a half times as large, but you do not know whether we have furnished more in value than the Communists?

Admiral HEINZ. I do not know the value of the Communist supplied equipment.

Senator GORE. Thank you.

Admiral HEINZ. The uncertainties of the international situation surrounding Laos at this time make it difficult to propose a firm program for fiscal year 1962. We will continue to support Laos in support of U.S. basic interests.

Thailand

With Communist advances in Laos and increased activity by the Communist insurgents in Vietnam, the threat to Thailand becomes increasingly more serious. Despite the proximity of the Communist forces to their borders, the Thais remain determined to prevent Communist control of their government through insurgency, subversion or external aggression. During the crisis in Laos, Thailand enthusiastically responded to the United States requests for assistance in delivery of supplies and equipment to Laos and in training in Thailand of Laos military personnel. The Government of Thailand has repeatedly expressed willingness to stand with the United States in any military action deemed necessary to combat communism. This attitude of Thailand is a factor of importance to our strategic position in Asia.

Through military assistance, the United States has supplied military equipment which Thailand itself did not produce and could not afford to purchase. Thailand, with United States assistance, has standardized, improved, and reorganized its forces and increased personnel strengths of its units. A training program has been conducted to reach the latest tactics and techniques of warfare. There has emerged a military force of high morale and vastly increased combat capability. The job, however, is not completed. With the immediacy of the Communist threat, an increase in United States support to Thailand is necessary if the Thais are to cope with the Communist threat.

We plan to provide Thailand with additional items of equipment, to improve their ability to intercept subversive elements attempting to enter Thailand across the Mekong River or from the sea; to increase their mobility and striking power to deal with insurgent groups; and to increase air defense.

Cambodia

Cambodia, flanking Vietnam, Thailand and Laos, occupies a strategically important position close to Communist-held territory. Since 1954, Cambodia has depended heavily on the United States to maintain its armed forces. Its leaders have refused to consider Cambodia among the anti-Communist nations allied with the United States. These leaders feel that membership in any such group involves a derogation of sovereignty and leads to implication in big power disputes. At the same time they have also not aligned themselves with the Communist bloc.

Cambodia has engaged in flirtations with the Communist bloc but so far has refused all offers of bloc military aid. Its spokesmen have reiterated their conviction that continued U.S. aid is essential to the maintenance of the nation's independence in the face of the Communist threat. This is not so much a paradox as it is consistent with Sihanouk's concept of neutrality. Sihanouk enjoys a degree of popular support and an absence of domestic opposition which is unparalleled in Southeast Asia.

Burma

Burma is one of the so-called neutral or non-aligned nations. Strategically, a Communist Burma would pose an additional threat on the flank of India and East Pakistan and would establish a Communist position directly along 1,000 miles of the border of our ally, Thailand.

Our military assistance to Burma has been designed to preserve and maintain the integrity of the Burmese Government by contributing to the preservation of internal security, thus enhancing the government's chances of attaining its goals and remaining outside of the Communist orbit, and by providing an alternative to Communist military assistance.

The major share of U.S. military assistance to Burma has been provided under the terms of a 1958 sales agreement with the Burmese Government, which calls for a token repayment in local currency. Since the military is likely to retain its influence in aspects of civil affairs, favorable effects for the United States may be expected to continue. Therefore, we propose to continue this so-called sales program in fiscal year 1962 but on a slightly reduced scale.

Indonesia

Important to our forward area strategy but separated by water from Communist forces are two important countries, Indonesia and the Philippines. Indonesia, an exponent of the neutral course between the West and the East, has been the subject of the greatest Soviet aid program outside of the Communist bloc. This political support, with military and economic credits presently amounting to about $1¼ billion, indicates the importance attached to Indonesia by the Communists. Moderate and more conservative forces within the country, particularly the military, provide a base for Western assistance in keeping this country outside the Communist bloc.

Indonesia is an underdeveloped country with much potential for economic growth. Among the top 10 countries in terms of national resources, Indonesia is the most important producer of crude petroleum in the Far East; her tin production represents 18 percent of the total available in the free world.

Geographically, Indonesia lies astride major sea and air routes, and constitutes a major link in the rim-lands chain running along the coast of the Asian land mass.

With military assistance to Indonesia, we hope to deny her human and material resources and strategic location to the Communist bloc by (1) promoting U.S. influence through support of pro-Western important elements of the armed forces, (2) enabling the military to avoid becoming dependent on the Communist bloc as a source of military equipment and advice; and (3) improving the armed forces' capability to maintain internal security and to combat Communist activities.

The major portion of U.S. military assistance to Indonesia has been programed subsequent to 1958, when a local currency token sales agreement was negotiated. Our programs have been weighed in favor of the Indonesian Army, politically the most influential of the services. In order to reduce the possibility of too close identification with army leadership as an instrument of U.S. policy in Indonesia, moderate amounts of military assistance have gone to the navy and air force. Increased amounts of equipment for the navy and air force will be made available as opportunities arise for the extension of U.S. influence in these services.

Our future programs will be designed to enhance U.S. influence in the military through the provision of equipment for projects which will provide the greatest impetus toward the achievement of our objectives in Indonesia. We do not believe that our long-term interests will be served by attempting to match the massive Soviet offers of military aid to Indonesia. We, therefore, plan a selective approach, with emphasis on training of Indonesian personnel both in Indonesia and in U.S. schools, which we feel will best serve U.S. interests in Indonesia.

Philippines

The Republic of the Philippines occupies a position of strategic importance to the United States and the free world. Out of the devastation of World War II, the Philippines have emerged as a functioning democracy closely allied with the United States. The Philippine economy has shown encouraging growth in recent years. While it still retains many characteristics found in underdeveloped countries, it has a potential for rapid and sound development.

The United States operates several major bases in the Philippines under the 1947 Military Bases Agreement. These bases are essential to the defense of the Western Pacific area. Our objective in the Philippines call for close cooperation and mutual understanding in support of these bases, as well as a military establishment capable of maintaining internal security and of contributing to both the defense of the Philippines and the collective defense of the Western Pacific. In pursuance of these objectives, the United States must at all times demonstrate its recognition that the Philippines is a fully independent and responsible partner which we do not "take for granted."

In the future, our aim is to plan a military assistance program designed to (a) improve the capability of the armed forces to accomplish jointly-agreed missions, and (b) aid in the further development of a balanced force. We shall strive to maintain the traditional pro-U.S. orientation of the armed forces, and to improve its professional capabilities through close association with U.S. military colleagues, training assignments in U.S. service schools, and an intensified effort to develop modern, professional services.

Our JUSMAG is intensifying its efforts to assure the most effective use of our military assistance, and has under constant review the adequacy of support and maintenance by the Philippine Armed Forces.

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SUPPLYING TRUCKS TO FAR EASTERN COUNTRIES [P. 860]

The CHAIRMAN. I notice that in the Philippines you have supplied them with 8,000 trucks during this program. This year you have over 400 trucks programed. I notice it is an item that seems to make up a major part of these smaller countries' programs.

Admiral HEINZ. I can give you the figures over-all for the Far East, sir.

The CHAIRMAN. They have a very great weakness for trucks, apparently. I wondered if they weren't a nice commercial item in their economy.

Admiral HEINZ. No, sir. If you refer to the program book you will see that the total peacetime allowance for vehicles for the Far Eastern countries is 1,386.

The CHAIRMAN. That is quite a lot of trucks.

Admiral HEINZ. That is, sir.

The CHAIRMAN. For countries that don't have roads.

Admiral HEINZ. This is for a total of seven countries.

This allowance is a peacetime allowance. It is less than the wartime allowance, and the ceiling is set by CINCPAC. We have programed in prior years a total of 54,570 vehicles toward filling this allowance. We have in this year 12,965 vehicles.

The CHAIRMAN. Are these trucks especially well adapted for guerrilla warfare?

Admiral HEINZ. No, sir. They are used for all army purposes.

DISTRIBUTION OF MILITARY ASSISTANCE BETWEEN FAR EASTERN COUNTRIES

The CHAIRMAN. Admiral, you start out in the beginning of the statement on the assumption that the independence of all these countries is essential and basic, I believe are the words you used, to our security. It appears that we are called upon to furnish much more money to a country like Vietnam or South Korea than we do to Burma.

What is your explanation of that?

Why is Burma, which you say is a strategic and highly important country, why is it it takes relatively little money and yet Vietnam, Thailand and Korea get so much?

Admiral HEINZ. All of these countries are important to us, Mr. Chairman.

Vietnam is very important in stemming a Communist thrust down through Southeast Asia. Also, Vietnam is the one country which is currently engaged in combating an active Communist movement.

The CHAIRMAN. Why do you think it is active in Vietnam and not in Burma?

Admiral HEINZ. It is active in Vietnam in terms of the actual fighting going on there.

The CHAIRMAN. Why is the fighting going on there rather than Burma?

Admiral HEINZ. I believe North Vietnam is carrying on the brunt of the fighting and they are making their primary target South Vietnam rather than Burma at the present time.

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POSSIBLE EFFECT OF NEUTRALISM ON U.S. POSITION IN ASIA [P. 861]

The CHAIRMAN. Supposing, Admiral, all of these countries became neutral like Burma and India did. Would this be a threat to our security?

Admiral HEINZ. This would depend on the situation. Furthermore I couldn't say that militarily that they would all be the same or have the same effect. For instance, Korea, a country, a neutral government there like Burma would greatly enhance the dangers to Japan.

The CHAIRMAN. Why would it?

Admiral HEINZ. In certain instances it would make defense there more difficult.

The CHAIRMAN. Why would it?

Admiral HEINZ. Because you would deny us the ability to have an effort to fight a war, a possible war, in Korea rather than in Japan.

The CHAIRMAN. Wouldn't it be much easier to defend Japan than it is South Korea?

Admiral HEINZ. Yes, it is easier to defend Japan if you have a force in South Korea.

General PALMER. It seems to me, Mr. Chairman, that any suggestion that South Korea, for instance, adopt a neutral position like Burma would mean that American prestige and standing and influence must have taken a disastrous downward trend, whereas Burma has always been neutral.

We never have had all nations committed to the west as South Korea and South Vietnam have been committed, so much so that the adoption of a neutralist policy in those countries, even if it were honestly neutral and not brought about by an infiltration of Communists into the government, would be a distinct loss in our strategic position.

The CHAIRMAN. Do you think what is going on in South Korea now adds to our status and reputation?

General PALMER. I haven't quite expressed myself properly, I guess. What I mean is we are in there with forces and operational control of their forces, and we have a firm base aboard at the present time. If we can be eased out of there by a change of their government policy we have lost a campaign without firing a shot.

The CHAIRMAN. But the neutralism of Burma and India and the relative quiet in Burma and India does not, it seems to me, reflect upon our status position.

Assume for the purposes of argument that South Korea had the same neutral status. I don't see why it would reflect upon our status and position there.

General PALMER. The change in our status and position would be that instead of having that country aligned with and participating in the military alliances of the United States, the country is no longer on our side.

The CHAIRMAN. I only ask this to try to clarify the situation.

It seems that the countries which are not allied as active military participants enjoy a relative peace, and I may say, incidentally, they cost much less money.

We are giving $9 million, I think, to Burma and $500 million to South Korea, which is a much more troubled situation and much worse off apparently than Burma. Do you think there is any connection between our military alliances and the state of unrest?

General PALMER. I don't think so at all, Mr. Chairman.

We went into Korea at the time when it was at war and about to be swallowed by the Communists.

The CHAIRMAN. That is right.

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STRATEGIC IMPORTANCE OF BURMA, CAMBODIA, AND INDONESIA COMPARED TO VIETNAM AND KOREA [P. 865]

The CHAIRMAN. Are they any less important strategically than Burma and Indonesia and Cambodia?

Mr. MCCONAUGHY. At this stage, I believe they are rated as more strategic. The achievement of Communist purposes right now in South Vietnam, South Korea and Taiwan is considered more urgent by the Communists than in the neutralist countries.

I think there is a definite Communist time-table.

The CHAIRMAN. From our point of view, and not the Communists, do you see any distinction in the strategic importance of Burma, Indonesia and Cambodia from the other countries?

Mr. MCCONAUGHY. I would say their protection is also very important to our essential interests, but we only do what is needed to protect them. No greater effort is needed in these uncommitted countries right now.

The CHAIRMAN. Mr. McConaughy, I don't think your answer is responsive to the question. Do you think you could fashion your answers a little more responsive to the question?

Mr. MCCONAUGHY. I am trying to make them responsive, Mr. Chairman.

The CHAIRMAN. From our point of view, can you explain why Burma, Cambodia, and Indonesia are any less strategically important than the other countries?

Mr. MCCONAUGHY. I don't think they are less strategic but I think the threat against them is less so I don't think we need to make any great effort in those countries than we are making right now, in order to achieve our purposes there.

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Mr. MCCONAUGHY. I don't know that any of us have all the answers on this, Mr. Chairman. We are not omniscient any of us. It may be that the Communist attitude is affected to some extent by the strength that we are maintaining in these countries which are committed to us. I will grant you that.

The CHAIRMAN. If that is so, then why wouldn't it be wise to accept the principle that these countries ought be neutralists and not armed camps?

Mr. MCCONAUGHY. Because, in effect, they'd be defenseless then, Mr. Chairman. I think they would be throwing themselves on the mercy of the Communists and on the pledged word of the Communists.

ADVANTAGES OF NEUTRALS AND ALLIES [P. 865]

The CHAIRMAN. They would be no more defenseless than Burma, Cambodia, and Indonesia are today, would they?

Mr. MCCONAUGHY. I think those neutralist countries in a sense are enjoying the protection which derives from the strong stance that is being taken in the committed countries.

General **Palmer**. Mr. Chairman, it seems to me as far as Vietnam is concerned, the reason we are giving heavy aid in Vietnam is that there is war in Vietnam. If we back out of that, we admit we have lost the war.

The **Chairman**. That is true, General. But why is the war there? Is it not because it is an armed camp and an ally and a bastion of military might? Is that not the reason for the war?

Mr. **McConaughy**. Yes, there is no question that that is so, but if the Government in Vietnam got us out of there, declared themselves neutrals, said they didn't want our assistance and so on, they might fall to Ho Chi Minh inside of 2 months.

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EFFECTIVENESS OF U.S. MILITARY ASSISTANCE [P. 867]

Senator **Symington**. Will the Chairman yield?

The **Chairman**. I yield, yes.

Senator **Symington**. Isn't one of the reasons the fact there were those not satisfied with neutralism and shoved it diplomatically to the point where there was resistance in the country?

Mr. **McConaughy**. I would not put any responsibility on those in each country was following the policy laid down.

Senator **Symington**. I was not impressed with some of the efforts made to change the situation in Laos any more than I am impressed with seeing a picture in the press this morning of the former neutralist premier Souvanna Phouma representing the neutralists, his brother representing the Communists and another gentleman, who they say wants to get out, representing our side.

In other words, I don't think you can blame what went on in Laos necessarily on the fact that we put military money to help the defense of Laos. I think there were a lot of political mistakes made that were perhaps not made in Cambodia. That was the purpose of my question.

Senator **Lausche**. At this point of the record, I do want to point out it was said by the Ambassador to Laos who came back 2 months ago—his name is Brown?

Mr. **McConaughy**. Yes, sir.

Senator **Lausche**. Mr. Brown said this man Souvanna Phouma who was the high sounding prefix of being a neutral in fact is a Communist, and that he will throw his lot to the Communist side, and it was for that reason that Brown felt that we could not go along with the Souvanna Phouma program.

I think that we are being misled into the belief that by calling a man a neutralist he is a neutralist when the facts all indicate that he is a Communist or with Communist leanings.

The **Chairman**. I heard Mr. Brown testify and I do not believe the record—we have it here and it can be checked—that he said he believes Souvanna Phouma was a Communist.

Senator **Lausche**. No, he said Souvanna Phouma's leanings were completely with the Soviet and if Souvanna Phouma is put into control it will slide into Communist orbit. That is what he said in the hearing at which I was present.

And so I am satisfied with these three men that have been chosen. I think Laos is two-thirds Communist already, and whether

Souvanna Phouma is a Communist or not his leanings are in that direction.

ALTERNATIVES TO MILITARY ASSISTANCE

The CHAIRMAN. Admiral, I think there are two questions. One, if Laos went Communist would this be disastrous to our security, and, two, if it became neutral in the sense that Burma is and Cambodia is, would this be disastrous to our security?

The alternative is, is it necessary that we defend these countries militarily, which will cost enormously?

The thing that precipitates the question is the prospect you say in the next 10 years of continuing this program. We have already noticed in Korea and these three countries—Korea is about half a billion, Taiwan not quite that much now although it has been larger and the prospect in Vietnam and Thailand is for a much increased program, so that you have many billions of dollars put into the military program.

The question is whether or not this is necessary for the security of this country.

You believe it is?

CONTAINMENT OF COMMUNISM

Admiral HEINZ. From the military standpoint, sir, I do not want to see any further expansion of Communist-controlled territory. I do not want to see communism controlling Southeast Asia. I do not want to see them in control of the Philippines and Indonesia. The further they stay away from our shores and the more we can contain them, I think the better military posture we have.

The CHAIRMAN. Then the question naturally arises are the procedures we are following in South Vietnam and South Korea designed to prevent Communist control?

In other words, is it an effective program for that purpose?

It would appear very doubtful. The situation, it seems to me, today, in South Korea in spite of all we have put in there is more uncertain than it is in Burma.

Admiral HEINZ. The new government in South Korea is strongly anti-Communist. They are making that one of their major planks. They are trying all they can to weed out corruption. They are maintaining the same military posture as the previous government.

The CHAIRMAN. Does it have the same support of the people that Sihanouk has in Cambodia, do you think?

Admiral HEINZ. There was greater popular support for this revolution or this coup in Korea than we at first estimated. The people, by and large, thought it was a good idea when it happened.

The difference in Cambodia is that there Sihanouk is both the prime minister and the rank monarch. He has through his government gotten—he is the government, I would say, and he controls the country.

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DIFFERENCE IN SITUATIONS CONFRONTING LAOS AND CAMBODIA [P. 869]

Mr. CHAIRMAN. The Senator from Tennessee?

Senator GORE. Mr. McConaughy, isn't it a fact that several months ago there was a government in Laos that at least had the facade of neutralism, and that certain elements in our own Government were dissatisfied with that and promoted and assisted the coup in Laos which placed in power the government which is now nominally in power and threatened?

Mr. McCONAUGHY. You are asking me to confirm that, Senator, or are you simply stating it?

Senator GORE. I am asking you if that isn't the case.

Mr. McCONAUGHY. I don't know that I would put it exactly in those terms, Senator. It is true, of course, that you had a government which was essentially neutralist, but I am not sure that action by us, internal action to influence the situation there directly decided the outcome, in the present adverse trend of events there. The tempo might have been different.

We don't know just how things would have gone if a different course had been taken by us, but I am afraid the trend would have been adverse in any event, given Communist capabilities to influence the situation there.

Senator GORE. I didn't ask you to foresee what the consequences of allowing the so-called neutralist government to remain in power would have been. I was just asking you if it was not a fact that certain agencies of our Government, including the CIA, participated in the overthrow of that government and the installation of the present government.

Mr. McCONAUGHY. I wouldn't want to go that far, Senator. I wouldn't say there was any impropriety in the actions of any of our Government agencies there.

Senator GORE. I didn't say impropriety either.

I think I know what the situation is. If you do not wish to respond to that, it is quite all right.

Mr. McCONAUGHY. I certainly don't want to hold out on you, Senator, I want to tell you all that I can say.

I may not have all the details on the particulars, though, since I wasn't here at that time.

I was still in Korea, as you know, then.

Senator GORE. Then I will not pursue that. I thought incidentally, that was pretty well established, so I will not proceed.

AIR DEFENSE OF THAILAND

I would like to ask you, Admiral, on page 9 of your statement with respect to Thailand at the bottom you say,

> We plan to provide Thailand with additional items of equipment to improve their ability to intercept subversive elements attempting to enter Thailand across the Mekong River and from the sea, to increase their mobility and striking power to deal with insurgent groups and to increase our defense.

Will you take up first the question of air defense and tell us what you propose there?

Admiral HEINZ. The air defense of Thailand is very weak, and we propose in this program, to give them 20 F-86s, which can be used for ground support and also for intercept work.

Senator GORE. That would be a defense against what kind of air attack?

Admiral HEINZ. That would be for a defense against Communist air attack.

Senator GORE. With what kind of aircraft do you think the Communists are likely to attack?

Admiral HEINZ. If it came to a war and they were attacking Thailand, I would expect them to use the bombers that are in China, stationed in southeastern China backed up by fighters, jet fighters. These forces can reach Thailand.

Senator GORE. Is it your considered military opinion that there is a prospect of air attack against Thailand?

Admiral HEINZ. Yes, sir, I think there is a possibility.

Senator GORE. If that attack came you think F-86s would be helpful?

Admiral HEINZ. Yes, sir. This possibility would come particularly if there were SEATO action in the area.

Senator GORE. If what?

Admiral HEINZ. If we had SEATO action in the area.

SEATO has pledged to defend Southeast Asia against Communist aggression.

Senator GORE. And you are convinced that Thailand needs an air force?

Admiral HEINZ. Yes, sir.

THAILAND'S WILL TO FIGHT

Senator GORE. What is your estimate of the will to fight on the part of the Thailander?

Admiral HEINZ. I have a high estimate of their will, sir. At all times during the past months during which we have been worried with the Laotian crisis, the Thais have evidenced every willingness to commit their forces along with U.S. forces.

Senator GORE. Have the Thailanders ever demonstrated capacity and a will to fight in battle?

Admiral HEINZ. Yes, sir, they have. They have a long history of being an independent country. They have at times conquered part of Cambodia. They have owned at times part of Laos, part of Burma. They have not been conquered by any other country in that area.

Senator GORE. The best I recall my history of the wars to which you refer, that this was not so much actual combat as rather a show of force and the guy who had the least backed away and the fellow who showed the most walked in.

Have you read that history?

Admiral HEINZ. I am not familiar with that aspect of it, sir.

Senator GORE. Are you acquainted with the exchange of elephants in that area as a matter of war booty, white elephants, that is.

Admiral HEINZ. I have heard the story of the white elephants but I am not familiar with it, sir.

Senator GORE. Are you sure that the Thailanders have demonstrated a will to fight in actual combat?

Admiral HEINZ. We have had a small number of Thailanders in Laos. They have fought. We have had Thailanders fighting in Korea. They have fought well.

Senator GORE. You say you had a small number of Thailanders in Laos?

I didn't know that.

Admiral HEINZ. They had two batteries in there for a few days.

Senator GORE. Two what?

Admiral HEINZ. Artillery batteries.

We had Thai forces in Korea, sir.

Senator GORE. How did they do?

Admiral HEINZ. Initially they did poorly, but this was not ascribed to lack of will to do it but because of lack of knowledge and experience. As they gained experience, they got better.

Senator GORE. You are aware that Thailand fell to the Japanese without the exchange of a single shot?

Admiral HEINZ. Yes, sir.

Senator GORE. You are aware that a Japanese ship pulled into the harbor at Bangkok where it could have been within range of artillery, but never a shot was fired, and after a brief conference Japan took the whole country without any resistance whatsoever?

Admiral HEINZ. Yes, sir, I am aware of that, that they did not go to war with Japan.

HELPING THAILAND RESIST AGGRESSION BY SEA

Senator GORE. What do you propose to give Thailand to resist aggression by sea?

Admiral HEINZ. There is no proposal to have them resist aggression by sea. The proposal we have for the naval forces is to build up their minesweeping capability and to give them patrol craft which they can use in the Mekong. In other words, we are giving them an increased ability to intercept subversive elements coming across the Mekong or possibly from the sea.

The threat coming from the sea is very small, and the only item I have in this program is one minesweeping craft. We are thinking of about 20 Mekong River patrol craft.

Senator GORE. Then you are not in fact with the minesweeper giving them something to intercept——

Admiral HEINZ. Aggression, no, sir, not from the sea.

Senator GORE. How would you use a minesweeper to intercept subversive elements from crossing the River Mekong?

Admiral HEINZ. I wouldn't, sir. This would be used in the Gulf of Siam, or in that area.

Senator GORE. Is this, again, to intercept subversive elements?

Admiral HEINZ. It could also be used as a patrol craft against subversive elements.

The major portion of our effort here is against the possibility of subversive elements coming across the Mekong.

This is the great danger. We are building up their minesweeping capability very slowly. This is part of the overall effort to build up minesweeping forces in these countries.

Senator GORE. You think, then, that throughout this area we need to build up a minesweeper force?

Admiral HEINZ. Yes, sir, a small minesweeping force.

Senator GORE. What countries would have naval ships in there, possess ships to lay mines?

Admiral HEINZ. Mines could be laid in the Gulf of Siam, for instance, either by submarine or by plane. I am thinking that this would be the only way they would be laid in the Gulf of Siam.

From the military point of view, I am greatly concerned about this particular place because Bangkok is the major port of entry for Southeast Asia, for all of Thailand, for a great deal of Cambodia, for much of Laos, and the whole Gulf is relatively shallow. Therefore, a minesweeping effort could cause great damage to logistics, supply and support going into Bangkok.

Senator GORE. Does Bangkok now have a minesweeper?

Admiral HEINZ. They do. They have three relatively modern minesweepers.

Senator GORE. And you propose to give one more?

Admiral HEINZ. One more, yes.

Senator GORE. To what other countries do you propose to give minesweepers?

Admiral HEINZ. We have minesweeping capabilities in the Philippines, in Korea, in Taiwan, and a very small one in Vietnam. There is one minesweeper contained in the program for Vietnam. There is no minesweeper contained in the program for the Philippines this year. However, there is one minesweeper overhaul.

In Korea, which also has a minesweeping force, and which needs it, we are not providing any new minesweeping ships.

In Japan there is nothing in this program for minesweepers.

Senator GORE. You say you have not yet programed but are considering some patrol ships for the Mekong River?

Admiral HEINZ. Yes.

We have included those in our program, sir. There will be 20.

Senator GORE. I understood you said you were thinking about it.

Admiral HEINZ. No, sir. You perhaps misunderstood me, sir. I said they are in the program. Those are small boats, sir. They would be about a 40-foot boat.

Senator GORE. I have one more question, and then my time, I am sure, will be exhausted.

COMBATING COMMUNIST ACTIVITIES IN INDONESIA

On page 12 with respect to Indonesia, you say you are undertaking to improve the armed forces capability to maintain internal security "and to combat Communist activities." Will you explain just how the armed forces will combat Communist activities?

I understand the Communist Party is rather strong in Indonesia, that it operates as a legal political party. How is the armed forces to combat these activities?

Admiral HEINZ. The estimated party strength of the Communist Party, the PKI, is about 1½ million, and they received the third largest vote in the 1955 voting. The Communist activities in Indonesia are shown in attempts to take over an increasing role particularly in education and in information.

Senator GORE. I understand something about their efforts, Admiral.

What I am trying to elicit from you is just how you are going to assist the armed forces in combating that which is an internal political problem.

Admiral HEINZ. It is an internal political problem, sir, and our program in Indonesia is primarily a political program. The intent there is to keep the armed forces as an anti-Communist element, since they are the greatest balance to the Communist Party, and General Nustion is constantly taking steps to combat the Communist Party influence. We don't propose to obtain this by military strength but by influence on the Indonesia military forces.

Senator GORE. Then this is not to combat Communist activities with weapons but this is a political indoctrination effort in which you are engaging?

Admiral HEINZ. It is a political effort, yes, sir.

Senator GORE. Is that a little unusual for military assistance?

Admiral HEINZ. No, sir. The program here is justified for political reasons.

Senator GORE. Didn't General Nustion return from Moscow where he received a pledge of military aid?

Admiral HEINZ. He has. The Communists, according to our figures, have extended military and economic credits to Indonesia of $1,110,000,000. Of this approximately $510 million is economic and $593 million military.

Senator GORE. You say $1 billion?

Admiral HEINZ. $1 billion, yes, sir, $1.2 billion is the extent of the credits to Indonesia.

INDONESIAN FOREIGN MINISTER

Senator GORE. Please understand I regard Indonesia as a truly important part of the strategic materials which are located there, the location of the country itself makes it extremely important to the free world. I was trying to elicit from you just how you were using the military assistance program to combat Communist activities, and particularly in view of the fact that it is an indigenous political problem and in view of the fact that the General to whom you made reference has just returned from Moscow and Mr. Sukarno, I take it, is still there.

Admiral HEINZ. Yes, sir.

Senator GORE. The Indonesian foreign minister has said that their social system had three principal points. One was all programs must be for the benefit of the people, there must be free discussion.

Well, for a bunch of filibusters that was hardly news, but, third, he said all action of the government must be by unanimity, and I must say that I became a little suspicious of him at that point, because this action by unanimity is certainly one of the cardinal points of the Communists.

I wondered if you have any information about the political leanings, and coloration of the Foreign Minister of Indonesia?

Mr. MCCONAUGHY. So far as I know, Senator Gore, Subandrio[1] is a real neutralist. He is quite close to Sukarno and I think he goes along with Sukarno's principle of guided democracy and I think this is part of the concept of guided democracy.

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[1] Indonesian Foreign Minister.

If they all take the guidance which Sukarno is the judge of there would be essential unanimity on the course taken.

Senator Gore. I asked if unanimity was either practical or possible in a country so large and diverse as his. He gave a very labored explanation and finally said, "If in the end we are unable to reach unanimity then the president issues an order," and I said, "And that makes it unanimous," and he says, "Yes."

Mr. McConaughy. Actually, of course, there is quite a power struggle going on there all the time. There is not any real unanimity. And despite General Nustion accepting this tremendous Communist military assistance, I believe his tendencies are in the other direction. He believes he can take this Communist assistance without really giving the Communists undue influence there, and he is an element on the scales against the PKI influence. Sukarno uses Nustion in the army as a counterweight against the PKI, and I envisage this function here of combating Communist activities through improving the armed forces capability as essentially being indirect by beefing up the army and stepping up its morale and its capability, where it will become a heavier counterweight, I think, in the power play there.

It will be more of a counterweight against the PKI.

I believe this is part of what you have in mind.

Admiral Heinz. Yes, sir.

Senator Gore. Is the State Department aware that the military is engaged in this political activity in Indonesia?

Mr. McConaughy. Yes, sir, we are.

Senator Gore. I know you are now. You have just heard it.

Have you previously been aware of it?

Mr. McConaughy. Yes, sir, we were.

Senator Gore. Thank you, Mr. Chairman.

The Chairman. The Senator from Iowa.

Senator Hickenlooper. I have no questions.

The Chairman. The Senator from Indiana?

AIRCRAFT PRODUCTION IN JAPAN

Senator Capehart. I just wish to ask one question.

I see that Japan is building aircraft. Are they building those in their own factories?

Admiral Heinz. Yes, sir.

Senator Capehart. Are those American designed?

Admiral Heinz. It is the F-104 design, sir, and it is the total program of $269 million of which we are contributing $75 million. This is the last payment——

Senator Capehart. How many are they building?

Admiral Heinz. Approximately 200, sir.

Senator Capehart. How far along are they?

Admiral Heinz. The production schedule shows that it is just starting and the first aircraft should be coming out at the end of this year.

The Japanese investment will be approximately $194 million.

Senator Capehart. How much did we put in?

Admiral Heinz. We have a U.S. investment of $75 million.

Senator Capehart. They will be used by the Japanese Army when they are finished, will they not?

Admiral Heinz. The Japanese Air Force, sir.

In fact, it is expected that $160 million in components and parts will be purchased from the United States as part of this program.

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TREATY AND CONSTITUTIONAL PROVISIONS REGARDING JAPANESE REMILITARIZATION [P. 871]

Senator Capehart. You don't give us the full answer.

The question is can Japan have an unlimited army, an unlimited navy, an unlimited air force?

Mr. McConaughy. The answer is yes.

Senator Lausche. Senator Capehart, let's take a look at that. Their constitution prohibits them, and it is my understanding that MacArthur insisted upon a provision in the constitution which limited the size of the navy and army and the air force.

Mr. McConaughy. They can amend their constitution, Senator. There is no international restriction that I know of.

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INCREASING JAPANESE MILITARY CAPACITY [P. 873]

Senator Capehart. Russia is going to get the Chinese to do their fighting over there as they get other people to do for them all over the world. I have been in the Senate 17 years, and I have been on this committee for something like 8 years. I am just wondering if our judgment on foreign affairs is any better today than it was when we promoted that provision in the Japanese constitution.

Is our judgment any better today or are we making the same kind of mistakes today?

We made one in Cuba, which leads me to wonder if what we are doing here is the right thing or not, and it is purely based on a series of mistakes over the years, I presume the mistaken idea that communism is a good thing.

Somebody said something a minute ago here that some fellow, was it in Indonesia, was going to be neutral. He was going to take this Communist aid and get away with it.

Mr. McConaughy. General Nustion.

Senator Capehart. It is ridiculous. I think Japan thought she might use it against us some day but I agree that Japan ought to be permitted to develop a tremendous army, navy and air force over there.

As far as I am concerned, they can use it not too many miles away. In fact, I would like to encourage them to. I think that is all I have.

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CONSEQUENCES OF RETREATING FROM KOREA AND VIETNAM [P. 874]

Senator **Lausche**. Will you explain why the security of these countries and the remaining of them out of Communist hands is vital to us, being so far removed from them?

Mr. **McConaughy**. I think you have to start with the premise that we can't be forced out of the Far East Senator. If you accept that premise, that we have to maintain a position in the Far East, then it becomes just a question of how important these places are to the rest of the Far East, and this is looking at it just from the strategic and tactical standpoint.

I am not going now into our treaty and our moral obligations and our U.N. obligations to Korea and to other places.

We all know about those.

But just from the military standpoint, these places, geopolitical, are essential.

The security of adjoining areas hinges on the maintenance of these places. If South Korea goes, Japan is immediately flanked and exposed to infiltration and subversion as well as direct military pressures. I think Vietnam is the keystone to the arch of Southeast Asia.

The position in Thailand, for instance, would be seriously endangered if South Vietnam goes.

Malay, then Indonesia, would be greatly exposed if Thailand goes.

And I think Indonesia really holds the key to Australia.

So you have this creeping progression.

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IMPACT OF U.S. CUBAN POLICIES ON ASIAN NATIONS

Senator **Capehart**. Would the Senator yield for one comment?

Senator **Lausche**. Yes.

Senator **Capehart**. I would like to ask the Secretary this. Maybe I am not thinking straight. But how are you going to convince the countries of Laos, Vietnam, South Korea and even Japan that we mean business, that we are capable—I know we are capable of doing it—that we have the courage to do it, that we are going to do it? How do we ever expect them to have any confidence in us, to believe us?

I think they will take our money, yes. They will take our little military help, our economic help.

But how are you going to do it when you permit communism to establish itself in Cuba 90 miles away and do nothing about it?

To me, unless I am awfully dumb, and I don't think I am—maybe I am in this respect—I don't see psychologically how you are ever going to gain.

Mr. **McConaughy**. Of course Cuba is out of my area, Senator Capehart.

Senator **Capehart**. It is the Department of State.

Mr. **McConaughy**. Exactly, and I am prepared to comment.

Senator **Capehart**. Yes.

Mr. **McConaughy**. I believe that our friends in the Far East don't consider that we have entirely written Cuba off. I believe they recognize that we are trying to work through the Organization of American States to get multilateral action in Cuba. Our position isn't defeatist there, and there is no military position there which we have abandoned either.

We haven't been driven out militarily in Cuba, so I don't think the Cuba situation is as embarrassing as it has really discredited us in the Far East. It hasn't helped us any, certainly, but I think we still have a large measure of confidence in our resolution and our capability to live up to our commitments in the Far East.

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STRATEGIC IMPORTANCE OF THE FAR EAST AREAS [P. 875]

Senator **Lausche**. I want to ask the military men why are these countries in this Far East strategically important to our security? First the Admiral and then General Palmer.

Admiral **Heinz**. They are important to us strategically because of the desire to fight the enemy and in this case China as far away from our shores as we can. I don't want to have to start fighting a war in Japan if I can start fighting the war in Korea and have that as another area between us and China. I don't want to have the Chinese owning Indonesia, owning Vietnam and have to fight a war there. I prefer to keep them on the side of the West. I fought the last war going from Pearl Harbor west and I don't want to start there again.

Senator **Lausche**. General Palmer.

General **Palmer**. I think I am probably going to take this off the record, Senator Lausche, but I think everybody who was in World War II or Korea, came home—this included some 10 million American citizens altogether—came home sure of one thing and that is they never wanted to see war on the United States. Just as the Admiral has said, they were perfectly willing to have the war in somebody else's country if necessary but they were going to see that it didn't come here and do to this country what we saw in Europe and in Asia in World War II. I think the reason this policy, this is what is called the forward policy or forward strategy, has been so universally accepted by the country ever since then has been the vast number of veterans who have never gotten over that idea and I don't imagine they ever will. They are much more content to have these small affrays and disorders around the fringe of Asia. They want to keep it there.

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CONCENTRATING OUR AID IN AREAS MOST VITAL TO UNITED STATES [P. 875]

Senator **Gore**. If the Senator would yield, this whole executive session not only today but the previous days have been one of examination and assessment by the committee and we have all felt free to raise questions and to make statements with the assurance that it isn't in the public domain. Mr. Secretary, General and Admiral, this line of thought that you have been developing here is a popular one no doubt, particularly with the professional military people, with the American Legion, and I am a member of that organization. It seems to me that in your discussion two very important things may have been overlooked. One is that our principal potential enemy is the Soviet Union.

Senator **Lausche**. Is who?

Senator **Gore**. The Soviet Union. We heard testimony here last week that the Chiefs of Staff or at least the Chairman of the Chiefs of Staff had recommended commitment of U.S. troops in Laos, a land-locked country half way around the world, in which the Soviets would not be engaged.

Senator **Lausche**. Will the Senator yield? I would like to correct that because I think he said that he had urged SEATO to step in, and to the extent our troops would be involved with SEATO, he did urge that.

Senator **Gore**. That really doesn't change it. SEATO is no stronger than a paper cup with the United States label on it.

Senator **Lausche**. Anyhow I know he made that correction.

Senator **Gore**. He didn't make a correction. He said he recommended commitment of SEATO troops including United States troops.

Senator **Lausche**. That is right.

Senator **Gore**. It seemed to me that from my layman's point of view, and limited study of history that it would be a mistake for us to get committed into a proxy war where the proxy would be the proxy of our principal enemy, when our most vital interest it seems to me is in Western Europe and the Western Hemisphere.

Now, the second point it seems to me that may have been insufficiently weighed this morning is the desirability and ultimately perhaps the necessity of concentrating our aid and our means on the area of greatest importance to us. If you ask me as a layman with some knowledge of geography strategic mineral requirements, the comparison of Laos on the one hand and Indonesia on the other, I would say Indonesia is 100 times more important, just to take an imaginery factor, than Laos. Would the Senator further yield that they may comment on these two things?

Senator **Lausche**. Yes.

Admiral **Heinz**. There is no question as to the importance of Indonesia, the relative importance of Indonesia and Laos. I agree with you completely, sir. However, the importance of Laos from a military standpoint is that it serves as a buffer for Communist penetration, common borders into the remainder of Southeast Asia.

Senator **Gore**. The two principal points I desire comment on was, one, the advisability or inadvisability of getting ourselves committed in a war in which our principal adversary is not committed, and in an area in which our primary interest does not lie. That was number one.

Admiral **Heinz**. Our primary interest is in preventing Southeast Asia from going into Communist control, and we hoped, still hope that we can retain Laos as a fringe between the remainder of Southeast Asia and communism in China.

Senator **Gore**. Apparently you missed the point. General, do you or the Secretary want to comment on that?

General **Palmer**. My personal duty is only to defend and administer the views that are adopted by the executive branch on the advice, I presume, of the Joint Chiefs of Staff, certainly with their participating advice, as shown in this program. 38 percent of the program is devoted to NATO and about 34 percent of it is devoted to Korea, Japan and the Republic of China, which indicates what they consider the important strategic bastion of that area, drawing a line west into Asia and north into the Philippines, north of that is regarded as a pretty stable strong United States position. Admiral Felt regards the whole thing as his advanced force, although they are foreign forces, and 34 percent of this whole program or somewhat more going to Japan, what goes into that area is just about what goes into NATO this year.

Senator GORE. I will not ask the Senator to yield any further.

Mr. McCONAUGHY. May I comment on these questions?

Senator GORE. Yes. Neither the General nor the Admiral have. You are welcome to.

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EFFECT OF U.S. DEFENSE EXPENDITURES ON POSSIBLE WITHDRAWAL FROM AREA [P. 878]

Senator LAUSCHE. Assume that we pulled completely out of the Far East. Based upon your thinking, would you reform your defense program as we have set it up.

General PALMER. I think we would probably reform it upward. You would want a whole lot bigger navy, the United States would.

Senator LAUSCHE. That is because you would want this——

General PALMER. Because without the secure bastions, you would still be trying to keep particularly the Russian threat pushed back to the far shores of the Pacific.

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RED CHINA'S WAR MATERIEL PRODUCING CAPACITY [P. 880]

Senator CAPEHART. Mr. Chairman, may I ask a few questions? What is the manufacturing strength of Red China at the moment in respect to war materials? Does anybody know?

Mr. McCONAUGHY. We know that they have been impressive and have a growing military industrial capability Senator. I can't give you any precise figures here.

Senator CAPEHART. They are manufacturing a lot of tanks, jet airplanes, a lot of ammunition, a lot of guns, missiles, rockets. What is their capability.

Mr. McCONAUGHY. I can't say everyone of those is manufactured in quantity in Red China. Of course they still get a lot from the Soviet Union.

Senator CAPEHART. I understand. I am talking about their own production.

Mr. McCONAUGHY. They are getting into complex military industrial production themselves. They are certainly manufacturing ammunition, heavy trucks, and I think some planes. They are still getting technical assistance on many of these items from the Soviet Union, but they do have heavy industrial capability, particularly in Manchuria, and this is rising steadily. Perhaps General Palmer or Admiral Heinz would want to comment.

Admiral Heinz. I could add a few more comments to that, sir. We know that the Chinese can make ordnance. We have captured quite a bit of their ammunition in Laos. We know that they are building submarines in Shanghai. Quite a bit of this has been fabrication of parts brought from Russia. But apparently the capability to do this is increasing all the time. They are now getting into the newer types of Russian submarines. They have built, they do build smaller war ships. So this is a capability that is constantly increasing, and their heavy industry is always increasing.

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REDUCING U.S. MILITARY COMMITMENTS ABROAD [P. 880]

Admiral Heinz. We are trying to put some zip into the program in Vietnam this year.

Senator Capehart. Are you really putting in American power, American troops, American Air Force, American Navy that can mean something, or is it just something that can be pushed over by Russia or the Chinese any time they want to?

Admiral Heinz. In the military assistance program which is a part of the over-all program, we are developing a counter-insurgency plan which has military, political, economic and pyschological aspects, and through this combined program which is going to cost more money, it is going to take a lot more trainers over in Vietnam.

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DIFFUSION OF U.S. STRENGTH [P. 882]

Admiral Heinz. The power in the Far East, talking of U.S. power now, consists, of the Seventh Fleet which is a mobile powerful force.

Senator Capehart. And it has headquarters where?

Admiral Heinz. Its headquarters is the ocean, sir. It receives support from various bases. We have a base at Subic in the Philippines, we have support at Yokosuka in Japan, we have a base in Guam. Those are the principal ones. Then we have forces stationed on Okinawa. Those are mobile forces that can be deployed anywhere in the Far East. We do have some air force still stationed in Japan. This could be deployed throughout the Far East. It is stationed there for air defense purposes of Japan and Korea. We do not have any bases in these countries there as U.S. bases. The bases that are there would be available to us should we have to go in. The air fields in Thailand, the air fields in Korea, would be available to U.S. forces were they committed.

Senator Capehart. I appreciate that.

Admiral Heinz. I am not suggesting that we should station forces in these other countries, forces that we have there now are stationed where they can be moved.

EXPLANATION FOR GREATER UNITY OF SOVIET BLOC

Sanator Capehart. Let me ask you one other question. I don't know whether there is any answer to it or not, but why does

Russia seem to get more unity and cooperation and more help out of her so-called satellite countries than we get out of our allies, such as South Korea, Vietnam, and Thailand?

Admiral HEINZ. I think the answer there, sir, is a different philosophy of communism and democracy. In the Communist theory if you are the boss you say do it and you do it. We believe in talking things out among peoples.

Senator CAPEHART. For example, take the situation in South Korea. You have had two changes of government in 18 months.

Mr. McCONAUGHY. That doesn't mean that the situation is lost though, Senator. We think that this new junta government may develop into something pretty good. It is deplorable that there is no legal continuity there. They have departed from the constitution and there are certain repressive aspects to the government, but still many of their objectives seem good even though some of their means are questionable. But we hope that we can moderate those means, and we are not sure that our essential position in Korea is impaired. We trust it is not, although we recognize that questionable means may not justify good ends every time. But still we are not pessimistic fundamentally about the situation in Korea. We hope to basically save the situation if we find we can work constructively with this new government and it will gradually lead to more civilian and constitutional orientation with a restoration of liberties.

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CONTRIBUTIONS OF U.S. FAR EAST ALLIES [P. 884]

Senator CAPEHART. Let's take them one at a time. Let's take Burma. What is the situation in Burma?

Mr. McCONAUGHY. Of course, Burma is uncommitted. It is a neutralist country. Even though we have a modest program there, there is no commitment on the part of the Burmese to fight with us. There is no mutual defense treaty, no security arrangement.

Senator CAPEHART. How about Cambodia.

Mr. McCONAUGHY. The same. It is also uncommitted.

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Senator CAPEHART. Now Indo-China?

Admiral HEINZ. That is only for the record, sir. Indonesia, sir, we have no military agreement, no military pact. This is an uncommitted country like Burma.

Senator CAPEHART. And we have no military establishments there at all?

Admiral HEINZ. We have a few people there, the so-called MILTAG.

Senator CAPEHART. We have talked about Japan.

Admiral HEINZ. Yes, sir.

Senator CAPEHART. We have talked about Korea.

Mr. McCONAUGHY. I think they are absolutely stalwart. They will fight.

Senator CAPEHART. The accumulative there is 1,734,000,000?

Admiral HEINZ. Yes, sir.

Senator CAPEHART. Yet they have had two changes of government in 18 months and you don't know what they have there now, do you?

Admiral HEINZ. I know we still have those same 18 divisions where they were.

Mr. McCONAUGHY. I don't believe this has any bearing on their will to fight or their military capability, Senator.

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[At 12:45 p.m., the committee adjourned.]

MINUTES

WEDNESDAY, JUNE 21, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee continued into executive session at 11:20 a.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Lausche and Carlson.

On motion by Senator Lausche, seconded by Senator Carlson, the committee approved by voice vote the nominations of Robert McKinney to be Ambassador to Switzerland; Mercer Cook to be Ambassador to the Republic of Niger; Philip M. Kaiser to be Ambassador to Senegal and Mauritania, and Robinson McIlvaine to be Ambassador to the Republic of Dahomey for favorable report.

Without objection the committee also approved for report the nomination of Dr. H. Van Zile Hyde to be United States Representative on the Executive Board of the World Health Organization.

The nomination of James Leonard Reinsch to be a member of the U.S. Advisory Commission on Information was approved for report, but that of Jonathan W. Daniels to be a member on the same commission was held over at the request of Senator B. Everett Jordan of North Carolina.

The measure (H.J. Res. 384) authorizing the President to accept on behalf of the United States the agreement creating the Caribbean Organization was ordered reported favorably without objection.

The committee concluded to accept the invitation to send Senate delegates to the next meeting of the Commonwealth Parliamentary Meeting to be held in London in September, and authorized the staff to report two resolutions, one concurrent, implementing same.

For record of the proceedings, see the official transcript.

[The committee then adjourned at 11:25 a.m.]

THE CUBAN SITUATION

THURSDAY, JUNE 22, 1961

United States Senate,
Subcommittee on American Republics Affairs
of the Committee on Foreign Relations,
Washington, D.C.

The subcommittee met, pursuant to notice, at 5:25 p.m., in room F-53, U.S. Capitol Building, Hon. Wayne Morse (chairman of the subcommittee) presiding,

Present: Senators Morse, Hickenlooper, Capehart, and Carlson.

Also present: Mr. Marcy and Mr. Holt of the committee staff.

Senator **Morse**. The hearing will come to order.

I want to say to Mr. Szulc and Mr. Frankel that we are very indebted to you for being willing to accept our invitation to come before the committee and sit down and visit with us about your experiences and your knowledge as well as your concern about what happened in connection with the so-called exile invasion of Cuba.

I would like to have you go back as many months preceding the actual invasion as you have any knowledge of events that you think would be helpful to the committee.

We want you to understand that this is a completely informal conference. Although we keep this record, it is an executive record. It will not be made available to the public.

We want you also to know that you sit before us as completely free and independent newspapermen. We exercise no claim to expect you to answer any question that we put to you that would in any way involve a privileged matter from your standpoint. We are the recipients. Anything you want to volunteer that will be helpful to us we would like to have.

What we are trying to find out is what led up to this invasion, what do you know, if anything, about the plans for it, what happened in these training camps, what went wrong, to what extent were there Batista elements still in the exile forces, to what extent was the lack of coordination among those that had charge of the invasion, and thus I could go on raising one question after another, which is not necessary.

I have said enough to let you know that all we ask for is the benefit of anything that you gentlemen, as newspapermen and men that have had experience in this whole matter, think will be helpful to this committee. I yield to the Senator from Indiana.

Senator **Capehart**. You gentlemen are both with the New York Times?

STATEMENT OF TAD SZULC AND MAX FRANKEL, CORRESPONDENTS OF THE NEW YORK TIMES

Mr. **Szulc**. Yes.

Senator **Capehart**. Were you in Cuba during the invasion?

Mr. **Szulc**. I was in Miami covering the Miami end of it.

Senator **Capehart**. For the New York Times?

Mr. **Szulc**. Yes, sir.

Mr. **Frankel**. I was at Guantanamo Bay.

Senator **Capehart**. Prior to that time you had spent a lot of time in Cuba?

Mr. **Szulc**. Four months on my part.

Senator **Capehart**. Shortly prior to the invasion?

Mr. **Szulc**. Yes.

Senator **Capehart**. You were in Miami the moment it happened?

Mr. **Szulc**. Yes.

Senator **Morse**. I think when Mr. Szulc gets toward the end of his testimony he ought to bring us up to date.

At his conference in Cuba last week he said he spent 15 hours with Castro last week, and I think it would be fascinating for our record if we had the benefit of this.

The meeting is yours, gentlemen.

Proceed in your own way.

We are the students and you are the professors in charge of the seminar.

Mr. **Frankel**. Can we take it chronologically?

I think Tad was there first.

Senator **Morse**. Whichever way you want to do it.

ANTI-CASTRO UNDERGROUND

Mr. **Szulc**. I personally became aware of plans for the invasion of Cuba about July or August of last year. In Cuba—I had been there most of the summer until July. The anti-Castro underground movements in Cuba were in formation at that time. They began to take shape, establish connections with groups in Miami.

We were aware at that time—this is, let us say, from March 1960 on—that the groups in Cuba were in touch with the CIA, the American Embassy, that they were encouraged, helped and it was a very incipient effort at that time.

Subsequently, about May, late May in Miami the Democratic National Fund was formed as the centralized anti-Castro movement. In Cuba at that time I had very clear indications from people I knew in the underground and from other sources as well that there was a beginning of an effort on the part of the United States Government to assist with the equipment, advice, organization, sabotage, para-military groups which were beginning to be organized in Cuba. As an illustration, in April or May I remember seeing a blueprint for——

Senator **Capehart**. That is this April or May?

Mr. **Szulc**. This is 1960, last year.

There was a blueprint for communications setup which was described by Cubans that it would be handled by the CIA, that it would be radio equipment through which people in Miami and elsewhere outside of Cuba, could communicate with the underground for instructions, information and so on.

This was pretty much in the formative stage by spring and summer of last year. My first direct knowledge came when I went to San Jose, the Foreign Minister's Conference early last August 1960, from Cuban exiles who had also come to Costa Rica, personal friends.

DECISION NOT TO WRITE ABOUT TRAINING CAMPS

I was told that the first staging and training camp had been established in Guatemala, I think it was the first one at the Retulhuleu base. I checked back with the State Department people in Costa Rica. I was asked most urgently to consider this as a matter of national interest, not to write about it. We obliged and did not write about it.

I had no further contact with the situation until March of this year when I came back to Miami on my way from Rio de Janeiro to Washington. I was in the process of being reassigned at the time.

I had heard rumors and reports which were fairly current in Latin America that an attack on Cuba was being prepared. It was a matter that newspapermen——

Senator CAPEHART. Was it considered an attack by the United States or by Cubans or by whom?

Mr. SZULC. Cuban refugees, presumably aided or assisted by the United States. It was taken for granted that Cuban refugees were not in a position themselves to launch an effort unless they were aided in some manner by our Government.

ROLE OF THE CIA

Arriving in Miami, I was really there on a personal excursion, I met a number of people I knew, Cubans, and there was this underground operation, and within 2 days it became obvious a major movement was afoot. It also became obvious it was known to every Cuban who is in Miami. It became obvious that security on the part of those who were organizing it was extraordinarily lax.

I remember the first day in Miami I was at a bar in a hotel with some Cuban friends and I said, "Well, I would like to know more about it. Where can I get some information?"

I was told the CIA is in charge.

"You are an American newspaperman. Why don't you go to the CIA?"

I said, "Who do I talk to?"

They said, "Here is the name of the people we work with. Why don't you telephone them?"

I said, "Is it really that simple?"

They said, "Yes, of course."

Senator CAPEHART. Everybody but the United States Senate. And, evidently, the President of the United States, because 10 days before it happened, he said we were going to take no part in it. How silly can we get?

Mr. SZULC. This would have been the last day [illegible] March. Having gathered information on who were the people involved, even the tentative date which was that of April 18th, as it turned out, it was one day off, we felt at the Times that the matter was of such importance and such consequence to the United States that we decided I should not write any stories about it before I had time to consult with our editors.

I was asked to come to New York, which I did. We had a long discussion on the whole subject. I was told to return to Miami and——

Senator CAPEHART. Await developments.

Mr. SZULC. Keep my eyes open.

DECISION TO PUBLISH

On April 6 we were informed that certain publications, American publications, were also on the track of the story. Prior to that, Cuban Foreign Minister Roa at the U.N., made a further full statement of charges with specific details, charging that this and that was taking place and we felt as a matter of editorial judgment that in publishing the first account that was being prepared, we would not be telling Castro anything he did not know.

This was a decision that was arrived at after a great deal of soul-searching on the part of the Times. Consequently, I wrote a story which was published on April 7 on page 1 of the New York Times, which went into very considerable detail on the training of Cuban forces in camps in Guatemala, movements then afoot in Florida, and I think we mentioned for the first time there was a camp in Louisiana outside of New Orleans. We mentioned that the mobilization order had been issued some days prior to that, I would say from memory, some time the last week of March. As a result of that, Cuban recruits, people who had volunteered, filled out papers earlier, were being called from their homes and ordered to Guatemala, taken to Guatemala aboard unmarked United States aircraft.

We had been told that there was a hospital ship being prepared, Cuban doctors and nurses were being drafted in Miami to join the six, I believe, field hospitals on a hospital ship being prepared at that time.

OPERATION CONDUCTED OPENLY

It was a matter so obvious and so clear in Miami any Castro agent had simply to go to the usual restaurants and cafes where Cubans went to find out that a military movement was afoot, because people were departing daily, tearful goodbyes to their families. It was the most open operation which you can imagine.

I mean if you had signs saying, "We are going to join the camps and this is where the campsites are," nothing would be more obvious. This struck me as rather odd that an operation of this scope—and we were given to understand by people who were planning it, by the Cubans and the Revolutionary Council this was to be a major thrust, a major effort to secure a beachhead and establish a government in arms on Cuban soil.

I checked with Florida authorities, the Sheriff's office, the Dade County Sheriff's office. I said:

How come this operation is conducted so openly? Are you or are you not aware of any possible Castro agents in this area, intelligence agents?

Senator MORSE. You did this at whose office?

Mr. SZULC. The Dade County Sheriff's office. They have intelligence, criminal intelligence units which concern themselves with Cuban problems for a long time, going back to 1957-58.

CASTRO'S INTELLIGENCE AGENTS IN MIAMI

I was told that the Sheriff's office was aware of the identity of at least 100 Cuban agents in the Miami area, people who had come in as refugees you know, because of the visa labor system that we now have, where Cuban refugees could and I think still can come in as parolees without a regular visa.

I was shown a file of 100 photographs of Castro intelligence agents. My question as a reporter was, why doesn't someone deport them or arrest them?

Senator CAPEHART. You mean there were 100 Castro agents there?

Senator MORSE. Yes, intelligence officers.

Senator CAPEHART. Watching what was going on?

Mr. SZULC. The Sheriff's office was aware of the presence of at least 100 Castro intelligence agents.

Senator CAPEHART. Why didn't they pick them up?

Mr. SZULC. That was my question. The answer was "We are a county law enforcement agency. We have no power to arrest or deport."

Senator CAPEHART. Did they notify Washington, the President or the Secretary of State?

Mr. SZULC. I raised the question. I said, "Have you informed the FBI," because this was part of my own pursuit of the subject.

I was told by the Sheriff's office, "Yes, we have, but nobody seems terribly interested. We do selective law enforcement" as the man called it. "We pick them up as often as we can on vagrancy charges and what not just to get them out of circulation."

The question was then raised as to the coordination between Federal agencies, assuming that one Federal agency was assisting and organizing an expedition, other agencies were not cooperating to the extent of keeping the intelligence agents for the other side out of the picture.

This, incidentally, this fact was mentioned in the Times story of April 6 in some detail including pictures of the agents in Miami and so on. To the best of my knowledge, we were checked subsequently, and no orders were given to arrest any of those people. Therefore, the whole operation was mounted in the full view, not only of the American press but which came in later on the scene, but of Fidel Castro.

INTERVIEW WITH CASTRO

When I was in Cuba I talked to Castro. There was a group of American newsmen who went in with the tractor commission and

Castro spent a great deal of time with us. I raised the question, I said, "How much do you know?"

Senator CAPEHART. Did you go in with the tractor committee?

Mr. SZULC. Yes, I did.

Senator CAPEHART. That is why you were there recently?

Mr. SZULC. Yes.

Senator CAPEHART. You saw Castro there?

Mr SZULC. Yes, Castro was delighted to have American newsmen and given a chance to sit down for hours and hours and tell us how inevitable the success was of his socialist revolution. Perhaps I can come back to that.

Senator CAPEHART. Does he really feel that he defeated the United States?

Mr. SZULC. Yes, he told me this. He said, "You realize this is the first time that United States Government has failed to oust a government which it dislikes in Latin America." He is very proud of himself incidentally.

Senator MORSE. You asked him how much he knew about this ahead of time?

Mr. SZULC. He said, "I knew quite a bit." I said, "Did you specifically know the date and did you specifically know the site of the landing? Did you know it would take place in the Bay of Pigs?"

He said, "No, we did not know that. We did not know about the site, and this is why we had so few troops in the area when the landing took place."

He said, "However, we knew, we were absolutely sure that the invasion would occur Monday or Tuesday because of the series of signs such as the air raids of Saturday, the 15th which preceded the landing, when planes from Guatemala, which were described as being defecting Castro aircraft, attempted to bomb Cuban airfields and destroy the air force which they had failed to do."

Castro said that this made certain that an invasion was coming within the next few days, and they just stood by and waited for it.

His critique, which was quite extensive of the military operation, Castro said, "What I cannot understand is if you carry out an air raid to destroy my aviation, why do you wait 2 more days before you actually land your forces? You gave us 2 days notice, because when the planes came, we knew that the invasion had to come. And we sat and waited for it 2 days, giving us a chance to call in our troops and issue orders to our commanders and just stand by for the landing."

TOUR OF THE BAY OF PIGS

Castro had a great time, by the way. He took us to the battlefield, to the beaches.

Senator CAPEHART. He did take you up to Pigs Bay?

Mr. SZULC. Yes, he made quite a big point of it. He fancies himself as a major military commander.

Senator CAPEHART. How far is this?

Mr. SZULC. That would be 100 miles.

Senator CAPEHART. Did he fly you up there?

Mr. SZULC. No, we drove, motorcade.

Senator CAPEHART. He went with you?

Mr. SZULC. Yes.

Senator CAPEHART. Did the tractor committee go with you?

Mr. SZULC. No, they left that morning.

Senator CAPEHART. He took the press out?

Mr. SZULC. This was strictly on our own. He invited us and we thought it was a valid——

Senator CAPEHART. He told the tractor committee he wanted $28 million worth of tractors.

Mr. SZULC. That was the night before. The committee departed Thursday a week ago this morning. The committee felt they had fulfilled their function. We were going to return with them except Castro invited us to have a press conference and to stay and see the invasion site, and that seemed like a worthwhile journalistic undertaking.

Senator CAPEHART. Was there anything out there?

Mr. SZULC. No. You mean visibly?

Senator CAPEHART. On the beach, yes.

Mr. SZULC. Very little. There were a few planes, two B-26's which had been shot down, two Rebel B-26's, one on the beach airport, a very nice trip, a few bomb holes, virtually nothing.

The damage to the housing had been rebuilt, patched up. Castro makes the point, which is an interesting point incidentally, he says of course, "We would have won regardless because the entire nation stood behind us, but the errors committed by the planners of the invasion were so glaring that they could have done much better. They could have firmed up the beachheads" said Castro.

We could have had a situation of a war of attrition, which would have been difficult and unpleasant for us, for Castro. But he said they made every mistake in the book, and Castro had a great time.

You know, we drove from place to place and he said, "This is where I stood, this is where the first battalion was and this is where they made a terrible mistake. They were too conservative in their use of paratroopers. They dropped them too close to the infantry, which gave them no advantage at all. They wasted their paratroopers."

He made quite an extensive military critique of the whole military operation, in which he delighted of course. Getting back to the main story——

ACCOUNTING FOR THOSE KILLED IN THE INVASION

Senator MORSE. Excuse me just one moment for a minute. There are two things. Did you get any idea from him how many of the invaders on the beach they killed?

Mr. SZULC. He claims about 87.

Senator MORSE. About 87.

Mr. SZULC. And that about figures if you break down, if you try to account for the people, it breaks down because there were almost, we understand, 1,400 landed. There are almost 1,200 prisoners in Havana. He claims there were 100 killed. About 50 people managed to get back, and some are missing, so his figure is probably right.

Senator MORSE. How many of his men do you think were killed?

Senator CAPEHART. There are two versions. He claims less than 100, all of them by air strikes by the Rebels. When the Committee of Prisoners, the 10 prisoners came here to Washington to begin their negotiations for the tractors, which as you will recall was late in May, I went to see them. One of them is a friend of mine, a foreign newspaper publisher in Havana, and I had a conversation with him.

He claims in a conversation with Castro at the Naval Hospital after they were captured, Castro admitted to him that the casualties were 1,700.

Senator CAPEHART. 1,700.

Mr. SZULC. This is what the prisoners claim. This is Carvo who claims Castro himself told him they had suffered 1,700.

Senator CAPEHART. That is more casualties than the invaders had men.

Mr. SZULC. Oh, yes.

Senator MORSE. Was that by that first air strike or didn't that first air strike kill very many?

Mr. SZULC. You mean the one——

Senator MORSE. Two days before.

Mr. SZULC. I don't think the first air strike did anything at all.

Senator MORSE. Didn't kill any?

Mr. SZULC. This would be a beachhead operation itself, the military operation.

Senator MORSE. Didn't destroy any planes, that first air strike?

Mr. SZULC. Fidel claims it destroyed none. I have seen no evidence to contradict Castro on that.

BEATING THE UNITED STATES MILITARILY

Senator CAPEHART. Does he feel that he beat the United States militarily? Does he feel we did it, we were in it and that we masterminded it?

Mr. SZULC. Yes, I would say very definitely.

Senator MORSE. That he beat us in a battle?

Mr. SZULC. He makes two points. He says in 1957 and 1958, the Batista army trained by a United States military mission has been defeated by us, and in 1961 the Cuban Rebel invasion force trained by the United States has been again defeated by us.

Therefore he says, "We have no use for U.S. military advisers."

Senator MORSE. He happens to be right too, doesn't he?

Mr. SZULC. Historically, yes.

THE TRACTOR EXCHANGE

Senator CAPEHART. What is going to happen to the tractor exchange?

Mr. SZULC. The last I heard here was that the committee was going to say no.

Senator CAPEHART. He never was serious about it anyway, was he?

Mr. SZULC. I don't think so. I think, to the best of my knowledge, I reread the transcript of the original speech that he made. According to Latin American diplomats I talked to in Havana and a number of other observers, the question is that he didn't mean it for a second.

Senator **Capehart**. He just was joking.

Senator **Morse**. What do you think he is going to do with the prisoners?

Mr. **Szulc**. If the deal doesn't go through? I think forced labor. He will not shoot them.

Senator **Capehart**. He won't treat them any worse than he does these other thousands, will he?

Mr. **Szulc**. Right now the 1,200, I think it is 1,173, are treated extremely well. They are staying at a naval hospital, which is right outside of Havana. They have television, books, newspapers. They have very preferential treatment.

POLITICAL PRISONERS IN CUBA

Senator **Capehart**. Over the others? How many other political prisoners would you estimate he has?

Mr. **Szulc**. I asked him that question. He said that prior to the invasion, not counting the people arrested during and in the wake of the invasion, that there were 5,000 prisoners held in Cuba.

I think this is an extraordinarily conservative estimate. Brazilian, Mexican, Ecuadorian, Argentine diplomats to whom I have talked said that the figure must be much nearer 20,000. Max, who was there during last fall and winter, may have an estimate of his own on that.

Mr. **Frankel**. No one ever got any figure, but I think the Latin estimate is far closer to the truth of the situation, and during the invasion itself I think Castro's figure is much too conservative.

Mr. **Szulc**. He claims that in the roundup after the invasion, during the invasion they arrested 15,000 to 20,000 people, of which Fidel says only 20 percent are still being held.

I think it is on the very conservative side. From what I have heard, I would be more inclined to think the figure is nearer 50,000. It certainly was not 20,000.

Senator **Morse**. What kind of treatment do they get? Where has he got them and what are they doing?

Mr. **Szulc**. From all of the accounts, those who were arrested during the invasion were treated horribly, simply because they were thrown into schools, theaters, sports arenas. There was no food, no effort to take care of them in any way.

Our two Cuban office employees we have in Havana were arrested. They were kept in jail for about 3 weeks. One of them, a man, was in Guanabacoa Military Prison where he said, "I met everybody I ever knew in Havana, my dentist, my doctor."

Mr. **Frankel**. That is why I think this was true at the other end of the island as well as Guantanamo.

Senator **Capehart**. Did you know a Drexel Gibson down there who ran Berlitz?

Mr. **Szulc**. I know him by name. Do you know him?

Senator **Capehart**. No. I know his wife and family.

Senator **Morse**. You said that they threw them in all of these theaters and schools and arenas and so on. Have they still got them in there?

Mr. SZULC. No, they do not. Castro claims that 2 percent of the total arrested during the invasion are still held. I guess probably conservatively, there is no question about it, the vast majority of the people arrested during the invasion have been released.

Senator MORSE. Is he using them for forced labor?

Mr. SZULC. No indication of that, not to my knowledge.

Mr. FRANKEL. A good healthy number that we don't know about though have been shot, haven't they?

CASTRO'S ATTITUDE

Senator CAPEHART. What does he say is going to happen? Does he think he is going to continue to be successful and build a prosperous country down there?

Mr. SZULC. He is absolutely convinced that he is on the winning side. He is convinced that Cuba, his government, can only be upset by an out-and-out invasion by the United States.

If that happens, Castro says, "You will conquer Cuba physically but you will never hear the end of it. There will be continuing guerrilla warfare for years to come, aside from what may happen in the rest of Latin America."

Fidel is as confident, as full of self-assurance as you can imagine.

Senator CAPEHART. Is he crazy?

Mr. SZULC. I don't think so, unfortunately.

Senator CAPEHART. He is not a normal individual, but he is not crazy in the sense we think of it?

Mr. SZULC. Not in a clinical sense. I think it is probably—I am not a physician, but in the accepted definition of paranoic, I think he is probably some of that.

Senator HICKENLOOPER. I was just going to ask you if you considered him a paranoic.

Mr. SZULC. From the descriptions I have read in books and magazines, a man who runs from elation to depression——

Senator HICKENLOOPER. They suffer from delusions, it can be delusions of grandeur, delusions of oppression.

Senator MORSE. Persecution.

Mr. SZULC. Yes.

Senator HICKENLOOPER. They accentuate certain of those areas.

Senator MORSE. Which is characteristic of many martyrs.

INVASION CRYSTALIZED PRO-GOVERNMENT SENTIMENT

Senator CAPEHART. Are the people back of Castro, that is a majority of them or a lot of them?

Mr. SZULC. This is a most difficult question to answer to my own mind. I would say that the invasion itself—this is a little observation I could engage in myself during the short time I was in Cuba—this is borne out by Latin American diplomats who are not pro-Castro, quite the contrary.

I would say that the invasion did a great deal to crystalize if not pro-Castro, certainly pro-government sentiment, with the danger which I think there is, of trying to work out percentages of how many people are in favor.

Senator CAPEHART. In other words, you are saying that the invasion has helped Castro?

Mr. SZULC. Without any question.

Senator CAPEHART. With his own people?

Mr. SZULC. With his own people.

Senator CAPEHART. Do you agree with that too?

Mr. FRANKEL. Wholeheartedly.

Mr. SZULC. I would say, sir, you had a great many people who were sitting on the fence prior to the invasion. Everybody knew an invasion was coming. They were not willing to commit themselves.

Now that an invasion has been defeated, there is full realization in Cuba that Fidel is strong. A great many of those people have gone over to the side of Fidel in the sense that they are no longer actively or passively engaged in efforts against him. They are now seeking accommodation with the regime. There are people who are returning from Miami right now, people who have gone in as exiles coming back to Cuba to live.

CUBANS MAKING ACCOMMODATION WITH CASTRO REGIME

Senator CAPEHART. It hasn't entered anybody's mind down there that we in the United States don't have enough military power to defeat Cuba, to defeat Castro?

Mr. SZULC. No, but I think they have become convinced that this administration is not prepared or willing to engage in a major military operation, and therefore that the Castro phenomenon is there to stay. Therefore they have to make accommodation with the regime. They have families.

Senator CAPEHART. Are you saying now that the people down there are convinced that we are not going to help or do it directly, or help do it to overthrow Castro, that he is going to be successful and be there for a number of years?

Mr. SZULC. Yes, sir.

Senator CAPEHART. Therefore they might as well get along with him and join up with him, is that about the feeling?

Mr. SZULC. This is exactly the feeling in terms of human problems, of human realization that since no relief is likely from the outside, we have to make a living.

Senator CAPEHART. That is a natural feeling.

Mr. SZULC. I would say again, with the qualification and reservation that it is impossible and probably a fruitless pursuit to try to work out the percentages of how many people are for or against Castro, I would say that probably today the majority of Cubans are behind Castro, much as I dislike reporting this. I think it is a factor to be faced.

Senator CAPEHART. More so than before the invasion?

Mr. SZULC. I would imagine so.

Senator CAPEHART. The feeling is now of both of you that as a result of this failure, that they feel Castro is going to be successful, stay there for a number of years, and that we are going to do nothing about it either directly or indirectly?

Mr. SZULC. That is right.

Senator CAPEHART. Therefore "We are going to get along with Castro."

Mr. SZULC. They have to live, therefore based on that presumption, yes.

INCIDENT AT GUANTANAMO

Mr. **Frankel**. There was a rather fascinating incident right at Guantanamo Naval Base. The week after the invasion, after the whole thing had petered out, there are in one of the Navy stores, the PXs, about 15 or 16 Cuban employees, workers who live in Cuba, one of whom, a young girl, had been a member of the Castro militia, and the rest of whom had virtually ostracized her.

You understand that these 3,000 Cubans working at the base are unrepresentative, in the sense that they are tied to the United States, to our way of thinking as well as standard of living to a large extent.

Well, in the middle of that week the manager, an American, of the store reported that suddenly after the invasion had failed, all these employees went out of their way to say good morning to this girl, and to begin to accept her, or rather I imagine plead for acceptance by her.

This was as fine an illustration as I could have of what was happening with these people. I mean the jib was up and this girl is the wave of the future, and we have to make peace with her.

AMERICANS HELD IN CUSTODY IN CUBA

Senator **Hickenlooper**. How many American nationals are now held in custody in Cuba, or has that estimate been talked about?

Mr. **Szulc**. Between 20 and 30 I would imagine.

Senator **Capehart**. That is 20 or 30 in prison?

Mr. **Szulc**. Yes, as far as we know.

Senator **Capehart**. I was given the list yesterday, the names.

THE ROLE OF THE CIA IN THE INVASION

Senator **Morse**. Going back to your Miami days before the invasion, I would like to hear any observations that the two of you would like to make in regard to the CIA and the preparations for the invasion, because we have had some reports to the effect that the CIA apparently employed some merchant marine people to help transport these people, these exiles to Guatemala and from there to the invasion, and we have had some information to the effect that these merchant marine people weren't very efficient, and that part of the responsibility for the failure has to be placed on these CIA agents.

Anything you can tell for the record about impressions of the CIA in this whole matter I think would be helpful.

Mr. **Szulc**. I did not have any direct contact with CIA agents at any time. It was all through Cuban contacts, through Cuban underground people, who in turn, had been continuously in operational contact with CIA people.

Senator **Morse**. Did they tell you that the CIA was directing them?

Mr. **Szulc**. Clearly, constantly, continuously. We had the strange results several times when I would approach different leaders of different groups to make arrangements for myself or other Times correspondents to be able to go ashore, if and when the invasion came, so there could be coverage, and in each case the reply was

"Since you are Americans, you should clear this with CIA." You know "We take care of Cuban newspapermen. You as Americans should clear it with CIA," which is presumably as revealing as can be.

On the specific point about the ships, we understand there were five Liberty ships and several smaller craft, landing ships and what not that had charters through dummy operators by the United States Government and/or CIA to transport the men from Nicaragua, from Puerto Cabana to the invasion site. I am in no position to tell you how efficient or inefficient they were.

I think the start of the operation itself, the critique made by Fidel himself indicates that the landing operation itself had not been carried out as efficiently as it could have been or should have been. Specifically, Castro made this point in his critique: that whereas the first ship had been unloaded shortly after midnight, one of the ships that carried a full battalion of communications equipment had not even begun to land its people by 10 a.m., which gave him a chance to send a ship with the battalion aboard and the entire equipment that was there. That is about the extent of the comment I can make from my personal knowledge on that point.

AIR COVERAGE

Senator **Morse**. One of the controversial issues that we have run into is the matter of air coverage. It would appear that maybe when these plans were originally made some months before the invasion, that it was intended to give the invading forces an air coverage so that when they went on the beach, there was adequate air coverage to give them protection.

What I would like to know from either one of you, if you can contribute to the record, whether you have any knowledge about air coverage, what kind of air coverage it was your understanding they were to receive, whether at any time that air coverage was to be United States military air coverage or just Cuban exile air coverage using planes supplied them by the United States military, whether or not that coverage was ordered to be withdrawn, if so, at what time it was ordered to be withdrawn.

Was it ordered to be withdrawn before the invasion started, was it ordered to be withdrawn after the invasion started, and lastly if you have any knowledge of it, who in your understanding issued the order, specifically was it ordered withdrawn by President Kennedy, was it ordered withdrawn by the CIA, by the Joint Chiefs of Staff or the State Department?

Mr. **Szulc**. My information on this point comes again from Cuban military and civilian leaders involved in the subsequent swap for the prisoners.

It had been my understanding prior to the invasion when I wrote my first story early in April that there would be United States naval and air coverage for the operation provided by ships of the United States Navy and aircraft of the United States Navy or Air Force.

This was what the Cubans themselves were given to understand, and they have testified in a series of interviews we had with them that they were assured that the operation would be covered by air and sea by United States planes and ships.

My understanding in reconstructing the story subsequently is that at the President's press conference, which was about the 10th, wasn't it, or thereabouts, when the President declared that no Americans would be involved directly in any Cuban operation, it is my understanding that the decision was then made by the President that there would be no direct participation by United States planes or ships.

U.S. DESTROYERS IN SHORE DURING OPERATION

The Cubans were never told of that, certainly not those who took part in the invasion. This is a point which I raised specifically with the 10 prisoners whom I interviewed here when they came to begin the tractor negotiations. They were told that when they landed they fully expected to have United States air coverage. They contributed another bit of information which I hesitated to use at the time, which I will pass on to you. They claim that there were United States destroyers which were in shore during the entire operation.

Senator **Capehart**. They were where?

Mr. **Szulc**. In shore, 2 miles from the beachhead, within Cuban territorial waters, the two destroyers which had escorted the armada from Nicaragua had not left Point "X" from the Cuban coast but had gone in with them.

They did not bombard the beachhead, but they were present physically, that the operations were directed by a radio from U.S. destroyers which were visible from the fighting area.

This is the testimony of the prisoners. We have not had any cooperation from the Navy. Therefore we chose not to go into that in public print.

Castro claims personally that there were Sabre jets flying from carriers actually participating in the operation. I pointed out to him that Sabres would not fight from carriers because they are Air Force equipment. He said he is absolutely convinced that there were U.S. jet planes taking part in the operation.

The prisoners deny that it was so. They claim that the only aircraft they had were the planes of their own air force, U.S.-supplied to be sure, but flown by Cuban pilots that came from Guatemala and Nicaragua, possibly refueling at points in U.S. territory.

We are not sure of that. The Cubans make a point that they were never told that they would not have air coverage, that they had depended on it, and they were greatly surprised and painfully surprised to find that the decision had been made to reverse the previous plans.

They were not notified of it. They felt, some of them used the word "betrayal" in conversation with me. They had been led to believe one thing. Max was at the Navy base. He may have more insight on that.

MISINFORMATION ABOUT CASTRO'S AIR FORCE

Mr. **Frankel**. Actually there is a point of digression here. One of the prisoners, of the many who were interviewed on television by

Castro officials a week after the invasion, apparently at least claimed to have intimate knowledge of the plane situation. I can't recall at the moment whether he himself was a pilot or navigator as such, but it was his testimony to Cubans that they had been assured that Castro would not encounter them, meet them with any jet planes, and that therefore the B-26s which they, in fact, had, would be sufficient to gain domination of the air.

This particular Cuban then assumed that this advice was given to him because of the previous weekend's air raid which was supposed to have wiped out the few T-33 trainer jets and the few British jets that Castro was known to have available to him.

And of course he was rather bitter. He said that he admitted that he had jumped to the conclusion when they did encounter jets in the air that they were Migs, because having been assured that there were no Castro jets as such, he said that the only answer they could come up with was that they were Russian planes.

The Navy at the other end of the island claims that in all the areas it has been able to survey with high power modern equipment, it has never spotted a plane that could in any way pass for a Mig. It claims that this is not exhaustive.

It is my imagination that the Navy's knowledge of the island is pretty thorough, but I can't go beyond that.

On the matter of ships I think, at least I have in my own mind satisfaction from Navy sources that two destroyers were somehow involved in the escort duty, and they don't deny that as the prisoners testified on television, also to the Cubans, that at least one of these had the number 703 painted on its side.

I also have a pretty good indication that at least one United States submarine was a part of this escort, but that the sub ducked out after the entire party had reached the vicinity of the landing area. This comes only from one source. This is a good source, but I can't go beyond that.

THE WESTERN UNION

Mr. **Szulc**. There was one episode with which Max is familiar and which may help throw some light, that of the *Western Union*.

Mr. **Frankel**. Oh yes. Also at the Navy base—let's see, when was that?

Mr. **Szulc**. This was the first week of April.

Mr. **Frankel**. The first week of April you may remember there was an incident involving a cable repair ship off the northern coast of Cuba near the port of Guanabacoa. The name of the ship was *Western Union*, and actually I understand it did not belong to the Western Union Company. It was under charter from Key West to another company.

At any rate, they claimed to be repairing cables when a Cuban gun boat came along, charged that they were in territorial waters and demanded that they follow into the port.

Well, the Navy at Guantanamo picked up a distress signal which was relayed through some of the Bahamas from the *Western Union*, and in due course sent a destroyer, the *John W. Weeks* I think it was, and also some jets to see what the situation was. In due course the *Western Union* was released and escorted back to Florida by the destroyer.

When I arrived about a week later at Guantanamo, I learned that from the Navy's point of view things had actually gotten a little tense out there on the high seas. The Navy says that it believed the *Western Union's* story that when original contact was made with the Cuban gun boat, that it was outside the 3-mile territorial limit.

However, the gun boat, threatening to fire, urged the *Western Union* to follow it into port, and it did so and the Navy was a little puzzled as to why they didn't try to make a run for it.

Also, when the Navy arrived on the scene, the Navy jets chased away some Castro B-26s that were buzzing the area, and they did it by buzzing the planes in turn, chased away the Castro planes, claiming again that is outside the 3-mile limit, and the *John W. Weeks,* in full sight of the Cubans, signaled by light to the *Western Union,* which was now inside Cuban waters, to make a run for it, and that if there was any trouble, that *Weeks* would cover the entire operation, presumably by firing, and the Navy is convinced that not only the *Western Union* but the Cuban officials could read this message, and that was the intent of it.

And the *Western Union* refused to do so, but that within about 15 to 20 minutes, the Cuban authorities signaled to *Western Union* to go on its way and it did so.

CARGO OF THE WESTERN UNION

When I inquired as to what they thought the reasons for this were, the Navy was a little vague on it. However, from other sources it later developed that the *Western Union* was carrying an extraordinary amount of high octane fuel on its decks. One estimate was as much as 180,000 barrels I think. My own appraisal of that is inadequate. I can't tell whether that is even logical for a boat that size.

Senator **Hickenlooper.** 180,000 barrels?

Senator **Morse.** No, gallons.

Mr. **Frankel.** Gallons, forgive me.

Senator **Capehart.** Who were they supposedly carrying it to?

Mr. **Frankel.** This source did not know. The source said, however, that it was confident that the reason for the fear shown by the crew of *Western Union* in the original encounter with the gun boat, as well as its refusal to take up the Navy offer to make a run for it, was that even a stray shot could have exploded the whole ship.

Senator **Capehart.** Who was the gas for?

Mr. **Frankel.** That then became a little extra curricula New York Times problem, and the Times picked up the strains of it in Florida.

Mr. **Szulc.** The first information came from Max in Guantanamo in the form of a message that the *Western Union* incident had involved a ship carrying an amazing amount of fuel, high octane fuel.

ANTI-CASTRO SENTIMENT IN CUBAN NAVY

Subsequently we were able to find out why. The story that I heard is this. In Guanabacoa, the port on the eastern coast of Cuba, there were a number of Cuban PT boats which the Cubans had purchased from East Germany. About 10 or 15 were based there.

One of the preliminary pre-invasion plans by the United States authorities in charge of the operation was to draw away as much of the covering screen of Cuban forces from the island. There had been a plot inside the Cuban Navy—incidentally the Cuban Navy has been the most anti-Castro of all the three Services, and apparently the officers and men in the PT boats were willing to make a run out of Cuba to Haiti or wherever they could, which in turn of course would weaken the Castro defenses, except that the Castro authorities, suspicious of such possibilities, kept all the boats on extremely short fuel rations, just enough to maybe go on a 20-mile patrol.

And if you recall the record shows that the same weekend of the *Western Union* incident, several PT boats did make a run for Haiti, I think six of them.

Mr. **Frankel**. Three.

Mr. **Szulc**. The idea was for as many PT boats as possible to come out in the open sea and be refueled by the *Western Union*, which carried the kind of high octane gas which is used by the PT boats, and then they could go to Florida or Haiti.

Senator **Capehart**. Was it understood that *Western Union* was United States-manned and operated?

Mr. **Szulc**. Yes, sir, it is a ship out of Key West.

Mr. **Frankel**. Chartered by Thompson Company I think.

Mr. **Szulc**. It is a cable repair ship.

Mr. **Frankel**. I might add that the manager of the All America Cable Relay Station in Guantanamo Base itself, a civilian with an extensive knowledge of the cable problems in the area, couldn't figure out for the life of him what cable the ship might have been repairing in that area.

Mr. **Szulc**. This was one of the preliminary operations for the invasion.

SOVIET WAR MATERIALS IN CUBA

Senator **Capehart**. Are the Russians unloading a lot of the war materials down there?

Mr. **Szulc**. Of course there has been a flow of weapons arriving which I saw when I was there, and much more during Max's stay late last year.

Castro told me himself they are still receiving more weapons. They require more weapons.

Information from diplomats friendly to us who are interested in such things is that there is a continuing flow of Soviet bloc military equipment to Cuba. We have a pretty good idea of what it is now. There are mostly light and medium tanks.

They are those what they call quads, which are 50-caliber machine guns mounted together, 4 of them, which have tremendous fire power and which they used during the invasion. They have mortars, howitzers, trucks, ordnance equipment.

Senator **Capehart**. Small arms?

Mr. **Szulc**. A great many Czech sub-machine guns.

Senator **Carlson**. What about planes?

Mr. Szulc. No indications. Everybody has heard reports that Migs crated or otherwise have arrived in Cuba. I haven't talked to anyone on either side who has seen one flying despite all of the accounts.

REPORTS OF CRATED MIGS

Senator Morse. We have had testimony that on one of the piers of Havana there is a quantity of crates and large packing boxes that might contain Migs. Did you pick up any information as to whether that might be true?

I have always been a little at a loss about it because if our underground espionage is any good, I should think we would know what is in those crates. If we have permeated the labor movement as some claim we have, I should think it would be pretty simple, if a spy system is worth the name, to find out whether or not those crates contain Migs. Did you get any information on it?

Mr. Szulc. Two things. The present information about crated Migs goes way back to last summer when you were there. The unloading of sensitive goods is done by the militia in the army and by people who are very carefully selected for that job, so infiltrating the labor movement would not necessarily offer a pipeline into the operation itself.

I think we have assumed correctly all along that Migs will turn up in Cuba sooner or later. We know for a fact, because the Cubans never made a secret of it, that they have sent a great number of air force cadets, I think about 100, to Czechoslovakia to take jet training.

Now what is significant in terms of the information on the subject is that the Cubans are now converting several of their airports to jet airstrips. The Havana Airport is a case in point.

For the last 2 weeks the Havana airstrip has been closed except for 2 hours a day because they are working on the runway. Now the runway has been closed I think last Sunday for 2 weeks altogether.

I asked Castro about it and he said, "Yes, we are putting in a jet strip in Havana and another one in Santiago and others in other places." I said, "Why?" He said, "Because we are purchasing Soviet commercial airliner jets, the IL-28," is it? It is a medium-range Soviet jet.

IMPACT OF COMMITTEE ON TRACTORS INCIDENT

Senator Capehart. Has the Committee on Tractors incident helped or hurt Castro with his own people?

Mr. Szulc. I don't think it has made a great deal of difference. It has hurt him in Latin America, from what we have seen.

Of course the reaction in Cuba is this. All those who are relatives and parents of those people, of course, are delighted to see the deal made for them to be released. Others, there hasn't been any talk or concern or interest. The story in Cuban papers has been played down considerably.

Senator Capehart. Is it the opinion that he was not serious about it when he made the original suggestion?

Mr. **Szulc.** I am personally convinced that he was not serious, and then he was suddenly faced—we took him up on it.

Senator **Capehart.** Is it going through now or is it completely dead?

Mr. **Szulc.** It is standing still so far as I know. I haven't worked on the story.

COMMUNIST-BLOC TECHNICIANS IN CUBA

Senator **Capehart.** How many technicians would you say the Russians, Czechoslovakians and the Chinese have down there? You said a lot? Did you see a lot of them?

Mr. **Szulc.** Yes. In Havana there is a new group now of 300 Soviet farm technicians who have arrived.

I saw and talked with a few of them during this last trip. There is an exchange which involves the arrival of these 300 technicians in Cuba in exchange for 1,000 young Cuban farmers who went to the Soviet Union for 1 year to "study the language and learn farming procedures."

I asked Castro during those conversations how many technicians there were in Cuba, Soviet bloc technicians. He said that not counting the 300 farmers who just arrived, he said there were several hundred.

I said, "How many Chinese?" He said, "It is a fairly small group."

He is probably right about that. I have seen a number of Chinese, mostly playing roulette at the casino at the Havana Riviera. There is a flow of technicians.

They don't necessarily all come and stay. Some will come for a specific project and go away. Other groups will arrive. I think it is a group influx. I would make a very general estimate there may be 1,000 altogether. Will you go along with that?

Mr. **Frankel.** Roughly I would, and I would also add that at least a minority of them are not necessarily as menacing from the American point of view as some of them would sound. A lot of these people come in there in the first instance admiring some of the things that American industry has put up, and also breaking the bad news to Fidel that this or that cannot now work without this or that American product or it can work only at great expense.

This is certainly the case in the mining industry which has ground virtually to a complete halt.

You also have instances, I have personal experience on this, of East Germans and at least Poles if not Russians enjoying the luxury hotels in Havana, sitting around making jokes against their own governments, and passing such remarks which may reflect the more basic attitude as "Why did you need us?"

TIMES REPORTERS

Senator **Morse.** I think this would be a good place in the record, Mr. Frankel, to dovetail here with Mr. Szulc's experience your experience at the Guatemala training center, because we don't have very much information on that.

Mr. **Frankel.** I was not there.

Senator **Morse.** Were you in Guatemala at all?

Mr. Frankel. Never, no. I think Paul Kennedy of my paper was working in that part.

Senator MORSE. You were in Cuba and Miami?

Mr. FRANKEL. I was in Cuba last fall until I was denied a visa in January, and then returned in April for the entire month to the Guantanamo Naval Base.

Senator CARLSON. Is Miss Phillips in your office?

Mr. SZULC. She is in New York.

Senator CARLSON. When did she leave?

Mr. SZULC. In the middle of May.

Senator CARLSON. She is an Oklahoma girl. She was a very fine woman. I wondered if she was there.

Mr. Matthews, has he been there in the last year or so?

Mr. SZULC. I don't believe so.

Mr. FRANKEL. Last August.

Senator CARLSON. I was there when he was there in December, a year ago last December.

Mr. FRANKEL. I was there last August.

Senator CAPEHART. He is certainly not supporting Castro any more?

Mr. FRANKEL. I would say no.

Senator CAPEHART. He used to be quite fond of Castro.

Mr. FRANKEL. I think most of the New York Times editorials on the subject have continued to be written by Herb so they would reflect his views as well as those of the rest of the editorial——

THE MIND AND CHARACTER OF CASTRO

Senator CAPEHART. Is it your thought that this fellow was always a Communist? When he succeeded did he intend to be a Communist? Was he a Communist? What is your thought on that?

Mr. FRANKEL. I wanted to interject before on the question of his medical status, because I think it really bears on this question.

I think the answer to what kind of a mind does he have is that he is the kind of a man who, with a dozen colleagues, will go into the hills confident not only that he is going to conquer a country, but that he is going to become the hero of all Latin America.

This is already a good deal of a give-away. The rest of it came, looking with the benefit of hindsight, within a few weeks after he came to power when, after elaborate promises that all he wanted to do was throw out the old crowd and set up a constitutional government, and when long before this quarrel with the United States developed, for whatever reasons, he backed down on that, and, in fact, took personal command of the government, of the Army and began to run the country more or less by television.

I think he has the kind of a mind that was originally—and the kind of character that made him predestined to be a tyrant and a demagogue, and I think this bears on the communism issue, because again looking back on it and trying to answer this question, I do not think that ideologically he was then, when he came to power, a Communist, and for all I know he might not now even be wanted by the Communists because he just doesn't fit into my image of the type of fellow who stands on Red Square on Lenin's tomb on May 1 and says, "Da" to everything that is done. He just doesn't fit that mold.

CASTRO'S USE OF COMMUNIST IDEOLOGY

But what I do think has happened is that in his determination to seize and hold power, and to expand it across a continent, he was attracted for two reasons to the Communist ideology and is now very rapidly adapting himself to it, and in fact in many speeches making apologies for the fact that 2 years ago he had quarreled with the Communists and had not been properly appreciative of what they had to teach his kind of a movement.

I think the two factors here are, one, that the road to power in Latin America lay necessarily for him in a very strong anti-United States line.

I think this is the same experience that a good number of other small country leaders have found around the world, that the way to make noise, the way to appeal to the youth, is to take a David against Goliath attitude.

More important still, within Cuba he came out of those hills with nothing approaching an organization that could effectively run a totalitarian regime, which is the kind of regime that I think his character recommended itself. Therefore, he found very quickly that in the absence of any Castro party movement or ideology, that the Communists were in there ready and willing to serve him with their efficiency, which is a rare thing in any case in Cuba, and with their tightly knit disciplined organization.

And I think he chose rather cold-bloodedly, even before the ideology became fully ingrained, to side with them, to use this group. They flattered him. They gave him 100 percent support. They made no demands on him.

There were several instances, including the Huber Matos affair and the David Salvadore affair where people who had been with Castro originally in the hills had come to him pleading in the army in one case, in the labor union movement in another, the Communists were getting too strong, that they were going to throw out Castro's very own, and when the showdown came, Castro ruthlessly, cold-bloodedly cast these old friends aside in favor of the Communist organization, even though the vast majority of them have not been shot and have gotten a kind of a lefthanded recognition of the original role in the Castro movement.

In other words, he was saying in effect, "Sorry, friend, you have to go because my whole power now rests on discipline and organization and the Communists therefore deserve that."

Now with that accelerating trend on both sides, I think we have reached the present stage, or we have reached it actually almost a year ago, and the Communists of course——

COMMUNIST CONTROL OF CUBAN PROPAGANDA

Senator CAPEHART. Will you yield? Do the Communists have the upper hand now?

Mr. FRANKEL. I would say, and I hope Tad agrees, that if Castro got on television tomorrow and read a list of Communists and asked that the Cuban people run out and string them up from the nearest trees, that it would be done.

The thing I am not sure of is whether he would have the microphone long enough to finish that speech. I don't mean to be flippant about it. What I mean, for instance, is the Communists control, I think, propaganda. They control the television areas.

They have enormous influence if not total control of the educational setup, and I think there is evidence that in the government bureaucracies itself they are working very hard to indoctrinate and to control.

But, on the other hand, they do need Fidel to personify what is going on. So I think there is a form of co-existence, mutual dependence.

Senator MORSE. Mr. Szulc, we would like to hear you on this.

Mr. SZULC. I would like to add a few comments. I agree with Max in what he says.

I would expand his remark on if Fidel would get the microphone and ask the Cubans to string up the Communists they would do so.

HOW THE CUBANS VIEW COMMUNISM

Conversely, if Castro would go to the microphone, which he has virtually done, and said, "I want all of you to get up and swear allegiance to communism," I think a great many of them would do so, because Fidel has asked them to do it.

I wondered if perhaps we in the Western World do not intend to forget that to the average Cuban, communism does not mean what it means to us. Communism in Cuba is not the issue as we see it. The average Cuban peasant or worker does not think of communism in the ideological cold war sense that we do. Castro has used the line which has become fairly accepted now, that if what we are doing is communism, this is what we want.

I in the last year, and I am sure Max has done the same thing, held conversations with people in the cooperatives asking what they think of communism. Then it developed to my initial shock that they had no opinions of communism. It was a meaningless concept.

It was not a political concept as we see it, that they were willing to accept the terribly oversimplification offered to them by Fidel that to be anti-Communist is to be anti-revolution. Therefore to be anti-Communist is bad and to accept communism is good.

I think we should always remember that the Cuban society is not politically sophisticated. It operates on terribly primary levels. The danger of the threat of communism as we see it is a meaningless concept in terms of the Cuban mass.

My conclusion after this new visit to Cuba now is that Cuba is virtually a Communist State in the strict sense of the word. As Max has pointed out, the education is controlled by Communist indoctrination, the press, television, radio, all forces of public opinion.

CUBAN SECRET SERVICE

They have taken two more steps early this month. One was to nationalize all the private schools, which has placed in the hands of the government, which means the Communist indoctrinators, all that was left of the fairly autonomous private school system, not quite 1,000 schools but near that, and two, which I think is important in terms of structure and organization was the creation of the Minister of Interior, which did not exist before, and which has replaced the former G-2 Army Secret Service, which is all they had until now.

The man who is the head of the Secret Service, Major Ramira Valdez, who I think we are satisfied has been a Communist all his life, has now become the Minister of Interior. I have discussed this with Fidel and some people I know in the security service.

Incidentally, the secret police now has acquired the title of State Security Service. The structure, the TO of the Minister of Interior in Cuba is almost identical to that of MVD in the Soviet Union, which you will know from your own experience.

I think this is a very important step in making value judgments about the structure of the Cuban Government as Communist or not. The question that I think you raised, sir, before, was Fidel always a Communist or not. I am convinced, for what it is worth, that Fidel did not start out as a Communist, but that today as a result of the revolutionary process of the last 2 years, of the internal and external pressures, of the fact that the Soviet Union became his great friend and helper when he faced all these problems, because of a variety of other considerations, he has fully embraced, let us say, the Marxist school of thinking.

FROM HUMANIST TO SOCIALIST

I raised that problem with Fidel himself. I say, "How is it that in your 1953 speech," during which he developed his thinking before the Batista Tribunal, he spoke of a social revolution which did include a land reform, nationalization of utilities, but also spoke in great detail of the freedom of the press, of free elections, of the return to the constitution.

I pointed all this out and I said,

> When you took power in 1959 you called your revolution humanist. You had stickers printed that you distributed to American tourists which said, "Our revolution is humanistic, and not communistic", how do you explain the sudden interest in socialism and, do I understand correctly, that your use of the word "socialism" is that used in Eastern Europe and in China when we speak of socialism?

He said,

> This is true, but you must understand that people, intelligent thinking people, evolve politically. I have evolved. Today I accept socialism fully.

Again we understood what we meant by the word "socialism." I said, "Why?" He said, and this was the striking thing if I may make a personal comment. I had talked to Fidel at great length in 1959, heard him on television a hundred times.

Until then Fidel in private and in public appearances always spoke in a rambling, very individualistic style of his own to make different points. Since early this year, Fidel's speeches particularly on economics have been the pure Marxist textbook line in dialectics, on economic, the theory of the inevitability of the death of imperialism, capitalism.

I mean it is just a straight jargon from the textbook. He said to me at one point, "You know after all we all read the same books, so you should understand," and then he said, "The reason I became a believer in socialism is because I realize that capitalism meant exploitation of man by man. I became aware of the cyclical crisis of capitalism," and again the usual textbook jargon.

WHEN CASTRO'S THINKING CHANGED

And I said to Castro, "When, at what specific point did that change in your thinking occur?"

I think it was fairly important to try to situate this whole thing. He said, "It is very hard to say."

I said, "Was it before or since you came down from Sierra Maestra?"

"It was definitely after." I think there is enough material in the record, his speeches, actions, behavior, the whole history of the Cuban revolution, to place, if we may call this, the conversion of Fidel Castro to communism, or his acceptance of the Communist doctrine or thinking, I would place it somewhere between late summer of last year and Christmas. Will you go along with that?

Mr. **Frankel**. It was happening virtually visibly before my eyes while I was there, and that would cover the period of September to December in Cuba. Each speech would be——

WHAT THE UNITED STATES DID WRONG

Senator **Capehart**. What does he claim that we did wrong in our handling?

Mr. **Szulc**. I beg your pardon, sir.

Senator **Capehart**. What does he claim that the United States did wrong in their communications?

Mr. **Szulc**. With the Cuban revolution?

Senator **Capehart**. No, with him.

Mr. **Szulc**. From the beginning?

Senator **Morse**. From the beginning.

Senator **Capehart**. Why did he turn on the United States?

Mr. **Szulc**. He claims, and he has said that to a number of people as far back as January of last year, that he was convinced the United States was out to destroy his revolution, because we were out to protect our investments in Cuba against the social revolution, against land reform, against nationalization and all of his social and economic plans.

That he realized that the United States has no choice but to try to destroy his revolution.

And I think he made a speech to that effect the week of the invasion and has repeated it since. He said the attack on Cuba mounted and organized by the CIA was the final step in the process which he said began in earnest with the cut in the sugar quota last fall, efforts to get the OAS behind us in ousting his regime, and has come to full fruition with the invasion.

REESTABLISHING U.S. RELATIONS WITH CUBA

Senator **Morse**. Have you run into any feeling or point of view that any steps should be taken to try to re-establish United States relations with Cuba through the Organization of American States, or in any other way?

Mr. **Szulc**. This is a matter to which I have been giving a great deal of thought since I came back from Cuba. I have asked the opinion of most of Latin American diplomats who are in Havana.

I have a tentative answer. My own mind is not clear on that. I think we should bear in mind—may I answer this in stages?

Senator **Morse**. Sure.

Mr. **Szulc**. I think it is an important point. First I think that short of a major military intervention by the United States in Cuba, I don't think there is any hope or reasonable expectation that the regime will fall by the action of the Cuban underground, by action by the Rebels outside.

Mr. **Frankel**. Or economic.

Mr. **Szulc**. Or economic, which is an important point. I think we should face the reality that the Cuban economy is not going to collapse, that with the Soviet bloc behind it engaged as deep and committed as far as they are, with the fact that I think to some extent the experimentation in Cuba has finished and they have entered into somewhat more productive a stage, I think that they may be over the hump, provided always the Soviet Union backs them.

I don't—and I am sorry to report such unpleasant news—I don't see the Fidel Castro regime collapsing economically or politically.

Senator **Capehart**. In the near future?

Mr. **Szulc**. In any foreseeable future short again of a major U.S. invasion. I think there has been a great deal of wishful thinking which all of us, including the newspapers have engaged in.

SUBVERSION OF OTHER LATIN AMERICAN COUNTRIES

Senator **Capehart**. One question here. Do you think that he may invade or try to invade other Latin American countries and turn them communistic?

Mr. **Szulc**. Directly, no, not in any foreseeable future.

Senator **Capehart**. Not directly?

Mr. **Szulc**. Through subversion.

Senator **Capehart**. Will he infiltrate?

Mr. **Szulc**. Yes. He had been doing that for some time certainly.

Mr. **Frankel**. I think on that point, Senator, there is growing awareness now, perhaps almost surprise among some of the Castro people, and certainly I know among some of the Communists in Cuba, that this thing has become viable.

I am not sure that they really ever thought that they could get away with it to this extent, and they have become a little precious about survival, and I think they are going to take the attitude now that now that they are viable, they are certainly not going to do anything that will give us, through the OAS, an excuse to mow them down. This is certainly true in their attitude even on Guantanamo.

CASTRO'S ATTITUDE TOWARD GUANTANAMO

Senator **Capehart**. Don't they have fear that we will take military action against them?

Mr. **Szulc**. Fidel made this point and discussed it in great detail. I asked him about Guantanamo.

He said he had no intention whatsoever of taking any step of any nature against Guantanamo that could, by the greatest stretch of imagination, be construed as a provocation on his part that would justify the United States in taking any move against him.

He made the point that even though the United States is not paying its electric bills for the power which we get in Cuba for Guantanamo, he is not going to cut the electric. He will engage in no provocation.

He feels that as a result of the invasion, particularly, that he is strong and he doesn't want to give anybody, especially us, an excuse to upset the apple cart. He feels this is the moment, I would say this is the moment of his maximum strength and power since he took office.

POSSIBLE U.S.-CUBAN NEGOTIATIONS

Senator **Morse**. Would he welcome the OAS or some other medium to seek to re-establish relations with the United States?

Mr. **Szulc**. He has given a great many hints that he would like to re-establish some form of modus vivendi with the United States.

A British colleague who was with us made a comparison which I think is valid. He said that Castro is beginning to make the sort of noises toward the United States Nasser [1] was making toward the British after Suez. "You have been mean to us but we are willing to," you know, "forget, forgive and get back into a relationship."

Fidel makes this clear, and I raised the point. I said "Would you be interested in meeting our President, to discuss?" I said, "The President meets Khrushchev in Vienna, why don't you."

He said, "I hesitate to say yes because this may be construed as a proposal by me for a conference."

He said, "I think conversations would be useful, but any negotiations on our part have to presuppose the acceptance by the United States of our existence as we are."

Senator **Capehart**. That cocky little guy.

Mr. **Szulc**. That he is, sir. He makes the point that either the United States has to accept the status quo, a Communist regime, he admits he is a Communist regime, and on that basis he is willing to engage in coexistence with us.

If we are not willing to accept that, he doesn't see any point in negotiations.

SHOULD U.S. CONTINUE TO ISOLATE CUBA?

To go back to your point, Senator, in the light of all this, in the light of the fact he is not about to collapse, remembering our relations with Yugoslavia, our relations with Poland, the fact that the Cuban regime is not quite as monolithic yet as it could become, there is, I think, a very valid question to which I am not sure I have an answer.

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[1] Egyptian President Gamal Abdel Nasser.

Would the United States gain in Cuba in the short term problem in Cuba and the long term problem in Latin America by having some sort of relation with the Cubans? This is more in the nature of a question than an answer that I am raising.

Would we gain or would we not by being represented in Cuba by not giving up Cuba entirely to the Communists? Would the presence of our trade and our industry play a positive role?

Would it encourage those people within or outside of the Cuban regime who may prefer to see Castro isolated from the Soviet Union.

I think this is the kind of thinking which made no sense before the invasion when we hoped or considered possible certain changes such as the plain overthrow of Fidel Castro.

Since this no longer seems possible or practical, I wonder whether we should not tailor our thinking to the new situation and see what is there for us to gain strictly from the viewpoint of what there is in it for us, whether we should continue isolating Cuba more and more, whether we should invoke Trading with the Enemy Act and therefore make it more and more an exclusive preserve of the Soviet Union, or should we begin revising our thinking. I think that at least it is a very valid question in policy thinking about Cuba.

ROLE OF THE CATHOLIC CLERGY

Senator **MORSE**. What part is the Catholic Church playing in Cuba at the present time, and what is he doing about the Catholic clergy?

Mr. **SZULC**. The clergy, all the Spanish clergy, as you know have been thrown out or is being thrown out of Cuba, and this is important because I would say more than 50 percent of the clergy was Spanish.

Mr. **FRANKEL**. Almost 70 percent.

Senator **MORSE**. Where is he sending them?

Mr. **SZULC**. Back to Spain or wherever they choose to go. I think most are going back to Spain.

Senator **CARLSON**. When I was in Cuba there were many Cubans and Americans both who were hopeful that the Catholic strength, the numerical strength, would be able to control or at least direct the trend of government in Cuba. Evidently they are not.

Mr. **SZULC**. They are not. The entire high clergy is in asylum in the Argentine Embassy. The Cardinal and I think four or five Bishops are in asylum.

Senator **CARLSON**. This Cardinal, is he the one who is 85 years old?

Mr. **SZULC**. Or 90, yes.

There was one Bishop, who is the young Bishop of Havana, who tried to be fired, who tried to have all kinds of activities against Castro. He had been arrested during the invasion. He has been released and I don't know where he is now. As a political force or influence in Cuba, the Roman Catholic Church does not exist for any practical purpose.

Senator **Morse**. Are the people deeply religious or not?

Mr. **Szulc**. No, they never were. That was a very casual sort of religion.

Mr. **Frankel**. The religion was casual and the social relationship existed primarily in the cities and primarily with the very classes about whose opposition to Fidel there was always least doubt. The church was relatively inactive, and certainly understaffed and underfinanced to be any influence among the peasants.

THE MONTEVIDEO CONFERENCE

Senator **Morse**. Did Castro give you any idea what position he is going to take, if any, in regard to the Montevideo Conference?

Mr. **Szulc**. He is sending a delegation. He does not know himself whether he will go or not.

Senator **Morse**. He does not know himself?

Mr. **Szulc**. I asked him if he planned to go. I said it would give him a chance to see President Kennedy. He is not sure he wants to go.

He obviously has not made up his mind. He takes the position whatever we do for Latin America, Latin America should thank him for it.

AN INTERNATIONAL CLAIMS COMMISSION

Senator **Morse**. Does he give any indication that he would be willing to consider any international commission for the settlement of American claims in regard to property that he has confiscated or depreciated?

Mr. **Szulc**. I raised the question with him. He said if and when a dialogue should come into existence between the United States and Cuba, and I am quoting him, "We shall of course be willing to negotiate and discuss compensation so long as the United States realizes that we are not in a position to pay full compensation in cash at once, because we haven't got it."

Mr. **Frankel**. And you know his previous, his last offer on that, involved virtual restoration of the sugar allotment as a condition.

Mr. **Szulc**. He no longer makes that condition. I asked him about it because they did pass a law which said no compensation until the sugar quota is restored. There was a complicated formula attached to it.

He is making noises that he wants to get along, but he wants to get along if we recognize and accept, which I presume is exactly what we are doing right now, because it seems to me there are two alternatives. One is to throw him out militarily and one is not to. Not doing it, we are, are we not, in fact accepting his existence.

Senator **Capehart**. I have to go, but I gather from what you gentlemen have to say that we now have a communistic nation within 90 miles.

Mr. **Szulc**. Yes, sir.

WHERE DO WE GO FROM HERE?

Senator **Capehart**. And it is going to succeed unless we throw it out militarily.

Mr. **Szulc**. That is accurate. Would you say so?

Senator **Capehart**. That is the conclusion I came to before. That was my conclusion before.

Mr. **Frankel**. I would add a qualification, Senator, because there is always behind this original invasion attempt and any future action we might take the large and unanswerable question at the moment: What then?

Mr. **Szulc**. Where do we go from there?

Senator **Morse**. What would happen if you took it in regard to other countries in Latin America?

Mr. **Szulc**. Or to Cuba. What do we do after?

Senator **Capehart**. I had a letter from a gentleman the other day saying maybe make it the fifty-first State of the Union. He didn't say how.

Mr. **Frankel**. We missed that opportunity in the Civil War.

SOVIET SUPPORT OF CUBA AGAINST INVASION

Senator **Morse**. Does he expect Khrushchev to back him up in case there is an Amerian invasion?

Mr. **Szulc**. Very definitely. He is convinced of that.

Senator **Capehart**. What?

Senator **Morse**. Does he expect Khrushchev to back him in case of an Amerian invasion. Will you give the answer?

Mr. **Szulc**. Very definitely.

Senator **Capehart**. He expects him to?

Mr. **Szulc**. Absolutely. He is convinced.

Senator **Capehart**. I would bet all the tea in China he doesn't and wouldn't.

Mr. **Szulc**. It is Castro's conviction that he would have that assistance.

Senator **Morse**. Do you think he has any evidence that justifies that conviction?

Mr. **Szulc**. I couldn't answer. I think it is simply taking expressions of interest on the part of Khrushchev, interests in his welfare, meaning that the Soviet interests in Cuba are such that they would be prepared to back him up.

Senator **Morse**. Do you think the Russian Embassy in Havana has given him assurance that they will back him up?

Mr. **Szulc**. I would imagine that this is Castro's interpretation of what he has heard. I don't know for a fact that specific assurances were given. Castro indicates it is his impression that he has such assurances. I have no direct knowledge of it.

SOVIETS OPPOSED SABER RATTLING

Senator **Morse**. What do you think?

Mr. **Frankel**. This goes back a few months, but I think it may still be valid. I know for a fact that in November the Russians told and virtually ordered Castro to quit rattling Mr. Khrushchev's rockets for him.

You may remember last summer Mr. Khrushchev threatened us rather vaguely with a rocket attack in case we touched Cuba, and the Cuban orators of course were delighted at every opportunity to repeat this fact.

The Russians told the Cubans that this was a privilege, that this kind of support was a privilege for Mr. Khrushchev and Soviet officials to hold out, that they did not appreciate Cubans recklessly taunting and baiting the United States with this, and there is documentary evidence of the fact that as of November 7th, this rattling stopped.

A full month later, early in December, a high ranking member of the Cuban Communist Party asked me on the basis of what he knew to be my 3-years experience in Moscow what I thought the Russians would do if we attacked.

Now I am sure that in view of the invasion, the viability of the regime, and so on, Soviet thinking may have changed. My final estimate would be that if anything developed in a protracted affair, where Russian threats, Russian minimal aid, Russian maneuverings in the U.N. accompanied by motions in the direction of help would develop; if it were something swift and sudden, I would seriously doubt that there would be.

Senator **Capehart**. Were you in Moscow when I was there in 1957? I think you were.

Mr. **Frankel**. I came in April 1957, sir.

Senator **Capehart**. I was there in August of 1957.

Mr. **Frankel**. August 1957 I was on a trip.

Senator **Capehart**. I was with Levine at the National Hotel.

Mr. **Frankel**. I was on a trip.

Senator **Capehart**. Who was the Times man there?

Mr. **Frankel**. Bill Jordan was there and I was there.

SWISS EMBASSY SERVICES IN HAVANA

Senator **Morse**. What service does the Swiss Embassy perform for the United States in Havana now?

Mr. **Szulc**. Welfare service. They charter planes for the State Department. I came out on a Swiss Embassy charter.

For American residents who are ready to leave and have their papers in order, and they try to keep track of Americans in jail, not very efficiently. They are very understaffed.

Senator **Morse**. How large is their staff?

Mr. **Szulc**. Very small. They brought a consular from the Washington Embassy. They have three or four people. I have heard a great deal of complaints.

Senator **Morse**. I have heard they have a total of eight.

Mr. **Szulc**. Perhaps.

Senator **Morse**. Do you think it is somewhere not more than 10?

Mr. **Szulc**. Swiss? It is less than that I would imagine.

Senator **Morse**. We broke relations in part because the Cubans insisted that our personnel be reduced to 12, and there was some dispute as to whether that included gardners. Were you there at that time? Can you tell us what the situation was as you understood it in regard to what Cubans wanted from the United States Embassy?

Mr. **Frankel**. As I understood it, and I can't be sure that my opinion was not necessarily covered by what the Embassy took it to mean, but as I understood it at the time, it was a reduction to 11 persons in toto, 11 American citizens, and then there was some question as to how many of the Cuban employees of the Embassy would be allowed to remain in addition.

Senator **Morse**. Do you know whether there was any attempt on the part of the Embassy or the State Department to negotiate that matter?

Mr. **Szulc**. As far as I know there was not.

CUBAN REACTION TO BREAK IN DIPLOMATIC RELATIONS

Senator **Morse**. What was the reaction do you think among the Cuban population in regard to this breaking of diplomatic relations?

Mr. **Frankel**. The population at large, I think, did not react to any discernible degree.

However, the underground and the anti-Castro people, plus the large number of middle class people who felt that this might be the end of their opportunities to leave the country for the United States, felt that it was catastrophic.

Senator **Morse**. Did you and other newspaper correspondents in the area think it was a wise course or a mistaken course?

Mr. **Frankel**. I am actually not prepared to answer. I think it goes to something I wanted to add to Tad's comment about our thinking on whether we should resume some form of relations.

I think we must add to all the questions, very sound ones that he raised, the question whether we, as a country, and whether perhaps more important, our public opinion, could stomach the indignities that would be regularly and consistently hurled at our representatives.

If we thought that the greater national good merited it, well, let's go ahead and explain it as best we can, but I think in going into it we will be baited and we will be taunted and we will be made to look as ridiculous as possible because, after all, this is the bigger war of nerves.

Senator **Morse**. I think that is a real danger, and that is why I thought we acted too hastily when we broke off those relations. We should have thought about that then.

I would like to ask you this question. We broke the relations I think mistakenly, but we broke them. I think it is very doubtful whether this should be re-established, at least on a bilateral arrangement between the United States and Cuba.

But what is going to happen in the rest of Latin America if they continue, if most of those countries continue to or re-establish diplomatic relations with Cuba, and I think I can expect a re-establishment even in most cases where they have broken.

If they maintain these relationships, we are outside looking in, isn't this going to give Castro a great opportunity to strengthen himself in other Latin American countries through diplomatic relations?

Mr. **Frankel**. I think this would be a physical dramatic representation of the larger issue that would go on in any case.

WHAT INFLUENCE WILL THE U.S. HAVE?

Senator **Capehart**. If the Senator will yield, I have to go. I have just one question.

If Cuba, which it is now a communistic country, if it continues to be and we do nothing about it, we can't break it up and it is successful, what influence are we going to have throughout the world and will any other nation 10,000 miles away believe us when we tell them we are going to defend them and protect them against communism?

How can we live under a condition of that sort? Might we just as well give up the ship and quit fighting communism?

Mr. **Szulc**. This is a very valid point certainly. This is what we are doing right now.

Senator **Capehart**. We are just being silly, looking silly and ridiculous, do we not, when we sit here and say we are going to appropriate money for a nation 10,000 miles away to keep them from going communistic, when we haven't been able to do it in Cuba?

Senator **Morse**. But the Cuban Government didn't ask us to keep them from going communistic, nor the people either.

Mr. **Frankel**. May I say I don't know, Tad, whether you have heard, but I was told on one of my trips in the Caribbean that British Guiana is about to install a Communist government by election in August.

Mr. **Szulc**. Which is going to work.

Senator **Morse**. There will be two or three others in the area.

Mr. **Szulc**. I think that is a possibility.

Senator **Capehart**. Why wouldn't it? I mean the country might well do it. We have spent billions and billions of dollars fighting the Communists all over the world, and said, "We will defend you, we will protect you, boys. Just put your heart and soul with us. We will defend you."

And it happens here 90 miles from the United States and we do nothing about it.

Senator **Morse**. They didn't ask us to defend them.

Senator **Capehart**. I don't think that is a valid argument.

Senator **Morse**. It is true, isn't it? Who asked us to defend them against Castro?

Senator **Capehart**. I don't know that South Korea asked us or Laos. I don't know of any country that particularly asked us to do so.

Senator **Morse**. The forces in South Korea did.

Senator **Capehart**. I think you are being technical about it, but that is your opinion. I have to go.

Senator **Morse**. I want Frank to ask any questions he has.

SITUATION IN THE DOMINICAN REPUBLIC

Senator **Carlson**. This has been the most fascinating evening, having been in Cuba and knowing their officers and some of their people. I wanted to ask Mr. Szulc one question. When were you in the Dominican Republic last?

Mr. **Szulc**. In 1959 when I was thrown out.

Senator **Morse**. While you ask that question, what has the Dominican Republic problem got to do in your opinion with the Cuban problem, because I find it very difficult to separate the two as far as our welfare is concerned.

Mr. Szulc. I think it has a great deal to do, and I endorse in full what Munoz Marin [2] has been saying around town for the last week or so, that the Dominican Republic now has a great opportunity to encourage a democratic non-Communist state, help it economically to make a show case right next to Cuba, to show that you can have economic and social progress without communism.

But we are faced by the OAS Commission, which refuses to stay there even long enough to make what I think is a thorough survey, whose Latin American members have outvoted the United States number in refusing to stay on, who refuse to take any step that can even remotely be construed as intervention against the Trujillo family.

I personally am very convinced that the new regime in the long run though more liberal and more democratic won't be anything more commendable than under the old man.

VENEZUELAN FEARS

Senator Morse. Such information as I have been gathering is it is going to be just as tyrannical if not more so. Yesterday noon at their request, and apparently, so they said, at the request of the President of Venezuela, at what was a quickly requested luncheon with four very prominent Venezuelans, who said the President had sent them to me, following a speech I had given the night before in the Senate or in late afternoon, expressing great approval of the major points I had made in that speech.

I mention it only because they then took off on the Dominican Republic matter and they said,

> You have to somehow recognize, before it is too late, that unless you are willing to move in on the Dominican Republic problem, which is much more dangerous we think than Cuba, not only to Venezuela but Latin America, you will not get support in many Latin American countries for your position on Cuba. We don't fear Castro nearly as much as we fear the old Trujillo and the new Trujillo.

Well, you know the attitude Venezuela takes, and I just think that we are making a mistake in trying to separate the Cuban situation from Dominican situation, because I suspect that in many places in Latin America, if not a majority of the countries, they would approve Castro before they would approve Trujillo.[3] Do you agree with that, Mr. Frankel?

THE MYTH OF NON-INTERVENTION

Mr. Frankel. I agree, Senator. I think in all my thoughts on these countries and especially the Caribbean, the historians will come to write up this whole era of the collapse of what I think was always a myth of non-intervention.

I think we are the victims of this non-intervention in the sense that everything we have ever done in this hemisphere is intervention, even if it is not to do something.

This doesn't mean intervention in the collateral sense of the Marines, but when we order sugar or do not order sugar, we are intervening in these countries, because they are so susceptible to the enormous influence that we give, and the problem has always been how to intervene effectively to promote the kinds of economies and social welfare and political regimes of which we could be proud.

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[2] Luis Munoz Marin, Governor of Puerto Rico.

[3] Rafael Leonidas Trujillo Molina, Dominican Republic dictator, assassinated on May 30, 1961.

And I think in that sense the entire Latin American problem is rigorously related, and we are going to have to get over these older concepts of a huge economic intervention on the one hand is not intervention, but sending the Marines is intervention, and that we get all confused in the situation.

[Discussion off the record.]

CONCERNS ABOUT U.S. ATTITUDE TOWARD DOMINICAN REPUBLIC

Senator MORSE. They consider him more dangerous than Castro to the welfare of Latin America, and if the United States is going to support the Dominican Republic, that will be the greatest benefit that Castro could get, and unless we are willing to move on the Dominican Republic matter, we can expect support from——

Senator CAPEHART. I couldn't disagree more violently.

Senator MORSE. This is what very high officials in Venezuela reported.

Senator CAPEHART. I know that, I was there a year and a half ago, talked to them, had separate meetings with all of them, came away then and said then they were damn near communistic.

In my opinion, Venezuela would go communistic. They were very violently pro-Castro, very violently anti-United States, and everything that happened there was just, in my viewpoint, bad. I think it is more of the communistic line to upset the Dominican Republic and turn it into a communistic——

Senator MORSE. In that conversation, for whatever it is worth, I was concerned about the feelings expressed by them that Venezuela, Colombia Bolivia, Brazil and Mexico are very much concerned about the United States attitude toward the Dominican Republic, and that if we give support to this young Trujillo, we cannot expect any support from them in any position we take in Cuba.

Senator CAPEHART. What I said to them, I was there at the time Eisenhower was going to Spain, and they were telling me how terrible that was, going over and seeing a dictator, and I said to them, "The biggest dictator the world has ever known, Khrushchev, has just got through visiting the United States and breaking bread with the President of the United States."

"Oh," they said, "that is different; that is different."

If he is a little dictator, you have to get rid of him, but if he is a big one, you have to agree with him. That was their attitude.

A COUNTER-CASTRO POTENTIAL

Senator MORSE. I feel Mr. Frankel and Mr. Szulc know so much more about this than I do that I wanted to give them an opportunity to comment on this Dominican problem vis-a-vis Cuba and the United States, to see whether or not they think there is a direct relationship here between what we do in the Dominican Republic and what we do in Cuba, in respect of the support we will get from a large segment of Latin America.

Mr. SZULC. I would say in the sense that the Dominican Republic, if affairs are properly conducted, I think we could build in the

Dominican Republic a very useful anti-Castro or counter-Castro situation.

I think we could, with the OAS, with our economic help, with our political guidance, ours and that of OAS, we could establish a system which would very effectively disprove the Castro claims that only his system, with communism or socialism, can establish social justice and economic welfare and political democracy and other things we stand for.

I think it is a great opportunity.

Senator Morse. That is based on the assumption you set up a democratic regime in the Dominican Republic.

Mr. Szulc. Of course.

Senator Morse. And not the totalitarian regime.

Mr. Szulc. As we understand democracy in this country.

Senator Morse. It is not a democratic regime now, and isn't with this new Trujillo.

OVERTHROWING TRUJILLO

Senator Capehart. How would you go about overthrowing Trujillo?

Can you send the Marines in there?

Senator Morse. No, sir.

Senator Carlson. I think Mr. Szulc will agree, and I think he heard it when he was there—I heard it in both our Embassy and from our people—that our treatment of his son up here at Fort Leavenworth was hurting us at that time. We regretted the way we handled it, and I do, too.

I think we handled it very poorly. Everyone knows he didn't attend classes. He has a penthouse in Kansas City and he was in California, but instead of trying to slap him, and I think we really did try to slap this boy, we should have said, "Well, he can come back next year and take another year at it."

That would have been a nicer way to handle it than just try to slap the father through the son, and I think now we are going to pay for that, and I regret it sincerely.

I wish there were a way we could get around that.

Mr. Frankel. Senator, that is the story not only in the Dominican Republic and of men of the Trujillo persuasion, but I think Tad knows more about it than I do, but in virtually every South American country, one regime is in and another is out, and where do the outs come? They come to the United States, and I think by and large we have both intellectually and in our universities, in case they were professors, and in the case of the government generally, shunted them aside, and before we turn around 2 years later, they are the ones who are in power.

Senator Carlson. That is what is happening.

Mr. Frankel. This has been a very common experience, including Betancourt of Venezuela.

Senator Morse. Gentlemen, I want to say in closing, this visit with you, consultation with you, that this committee is greatly indebted to you.

I don't think you possibly realize it unless you sat in our seats, how helpful you have been to us this afternoon in this conference.

I appreciate it very much. I know I speak for Senator Capehart and Senator Carlson and everyone else.

Senator **Capehart**. I can say it has been very helpful to me. I appreciate it.

Senator **Carlson**. I would like to say, Mr. Chairman, that you have had many conferences that I have been privileged to sit in on this very subject, but I have never heard any to equal this one.

Senator **Morse**. We have never had greater help, and we have had great help.

I want to thank you very much on behalf of the subcommittee and the full committee, and I would like to feel that as we deal with this problem further, if you can be of further help to us, that you will be kind enough to let us call you in again for further conferences.

Mr. **Frankel**. May I say thank you, Senator.

Mr. **Szulc**. Thank you very much.

Mr. **Frankel**. If this is a secret record, I can say I hope to be assigned to Washington soon, and look forward to a pleasant association with you.

Senator **Morse**. It will be my pleasure.

[Whereupon, at 7:15 p.m., the subcommittee adjourned.]

INTERNATIONAL DEVELOPMENT AND SECURITY (MARK-UP)

MONDAY, JUNE 26, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to recess, at 10:35 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Mansfield, Lausche, Symington, Wiley, Hickenlooper, Aiken, Capehart, Carlson, and Williams.

Also present: Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse of the committee staff.

The **CHAIRMAN**. The committee will come to order.

I might announce that tomorrow morning at 10:30, Mr. Stevenson is coming, accompanied by Mr. Lincoln Gordon, to report on his trip to Latin America and, of course, he would be subject to any questions the committee wants to ask.

Secertary Rusk is going to be before the Passman House Appropriations Committee on Thursday. I had thought he would come on Thursday. He would prefer Friday, but I notice that, on checking, there would not be many here on Friday. I do not think it is useful to have him on a day when there are so few here. So I think that will have to go over until next week.

Mr. **MARCY**. Maybe we can get some guidance on scheduling, the Fourth of July being on Tuesday.

[Discussion off the record.]

The **CHAIRMAN**. Let us try to get him over on Thursday.

Mr. **MARCY**. All right, sir.

The **CHAIRMAN**. What I thought we might do this morning, I hoped we might, is to get some general guidance, both for me and the staff, on some of these major subjects.

LONG-TERM FINANCING

The one that, perhaps, is the most controversial is what the committee is thinking about this long-term financing. Is there any strong opposition to it in the committee? We have dealt with it before.

Senator **AIKEN**. Mr. Chairman, I have strong opposition to going more than a year until we know what we are going to do in agriculture.

If we are going to proceed with a policy to cut production down to requirements, then I think it would be very dangerous to give ICA, or anyone, authority to make commitments more than a year in advance. They might not be able to keep it.

The CHAIRMAN. What is the connection there, George? I mean, why are those two connected?

Senator AIKEN. The connection is, we are going to depend on surplus farm commodities to a considerable extent to finance these programs, and with a determined effort being made to bring production in this country down to requirements, we are not going to have the surpluses to work on.

The CHAIRMAN. That would be on the 480 program;[1] why would that involve authority for the lending program?

Senator AIKEN. They all tie in pretty well, I think.

The CHAIRMAN. Well, not particularly.

Senator AIKEN. Possibly. We might say "go along 3 years," and exempt the authority to delete authority, to make commitments for food for more than a year in advance.

The CHAIRMAN. Well, it certainly would be reasonable to put some kind of reservation or qualification, or whatever you want to call it, that these commitments should not be made without regard to the supply. That ought to be made.

Senator AIKEN. I am inclined to go on a yearly basis until we find what is going to happen to agriculture. One bad year——

U.S. SURPLUS COMMODITIES

The CHAIRMAN. Are you for or against bringing down the production? What restricting——

Senator AIKEN. I am against slicing production in this country.

The CHAIRMAN. In all fields?

Senator AIKEN. If we went into international councils and did not have a good sized stack of wheat on our books, I do not think we would get listened to too much, and I believe that our surplus commodities have carried more weight in international councils than our military assistance has in some places.

So I would be reluctant to go beyond 1 year at a time and I know they cannot operate effectively on a 1-year basis, too. I would give them the carryover left from year to year. I think I could go along in giving them the $300 million a year as a revolving fund which in 5 years would amount to about a billion and a half dollars.

Senator SYMINGTON. You are talking only about the ICA, George?

Senator AIKEN. Yes, talking about that. But it does tie in with the 480 program because, after all, a good many countries would not give a darn about us if it was not for our surplus foods.

It controls their inflation, it controls their fear of famine, and so on and so forth.

The CHAIRMAN. In certain areas it is certainly of extreme importance.

Senator AIKEN. Yes. I think it is a most important weapon we have in the cold war, or most any kind of a war.

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[1] Public Law 480, "Food For Peace" program.

The **Chairman**. One suggestion, in fact the only real important one I thought, that the UAR Ambassador made was to put their 480 program, which is now on an annual basis, on a longer term so that they can make plans on their own.

SALES TO SOVIET BLOC

Senator **Aiken**. Do you know why it was announced Friday that the executive branch had now made Russia and other Eastern countries eligible for the sale of surplus farm commodities?

Senator **Hickenlooper**. Under 480 or what?

Senator **Aiken**. 480.

The **Chairman**. Do I know why?

Senator **Aiken**. Yes.

The **Chairman**. No, I do not. I was surprised.

Senator **Aiken**. You read it?

The **Chairman**. I was surprised to see it.

Senator **Aiken**. I was wondering what the purpose was. At the same time when we were trying to cut our surpluses to the point where we could not make commitments.

The **Chairman**. I did not know, unless it was some kind of psychological warfare, trying to soften him up on his attitude toward Berlin, holding out a carrot.

The Polish Ambassador came by to say goodbye. They are very disturbed about the Berlin thing erupting to destroy their 480 program.

Whatever influence I think they have, if any, which is probably not very much, is to——

Senator **Aiken**. I noticed this morning that the Russians were modifying their talk considerably.

The **Chairman**. The other Pole, he was very worried about this causing any disruption in our good relations, as he put it, which he means——

DIFFICULT TO MAKE PLANS FOR ONLY 1 YEAR

Senator **Aiken**. Public Law 480 ties in with all our foreign relations with the world, and if we cannot operate 480 programs and have plenty of stuff to sell, I am afraid our foreign relations would deteriorate a lot more.

The **Chairman**. I think it is certainly very important.

Senator **Aiken**. It is.

The **Chairman**. On the other hand, for nearly everybody who is involved to have only 1 year is very difficult to make any plans for development at any time.

Senator **Aiken**. I know.

I would like to see the agricultural bill acted on first, and it may be. We have a meeting tomorrow morning on it.

The **Chairman**. Even the commitment on their own trade as to whether or not they can commit what foreign exchange they have in business is so dependent they have to provide the food first, and if they have no assurance, then they have to hold back on the other.

Senator **Aiken**. That is right. It is going to snarl up the whole foreign aid program, except for food, because that is the one thing they just cannot get along without.

The **Chairman**. I think it would be a good idea, if you feel strongly about this, to indicate informally to whoever the proper authorities are that this is a matter for serious consideration.

Senator **Aiken**. I think the administration—you get the State Department's position and you get one picture, and you talk to Agriculture and you get another. One says that we are going to stop this production of surpluses to hold down domestic prices, and the other one says we have to have it because we want a promise—they already have made some commitment some 3 years in advance.

The **Chairman**. They made one 4-year commitment with India.

Senator **Aiken**. Pakistan.

The **Chairman**. I think maybe India.

Senator **Aiken**. India, Pakistan and Brazil are the big——

The **Chairman**. Yes. It involved rice and, I think, wheat.

Senator **Aiken**. I would like the administration to make up its mind which way they want to go, and then let us go.

EXPORTING MORE THAN CONSUMING

Senator **Carlson**. This is the first year in our domestic history where we have exported more than we have used for domestic consumption.

Senator **Symington**. Don't you think that is good?

Senator **Carlson**. Yes.

Senator **Aiken**. We are going to use the wheat. Except for Kansas' ungodly crop, we would dispose of a lot of surplus.

The **Chairman**. You have a big crop this year?

Senator **Carlson**. Yes.

Senator **Aiken**. About a quarter of the whole country.

Senator **Carlson**. We cut ours 40 percent, from 18 million to 10.3 million; the highest we have ever had, 305 million this year, we are going to 275 million, 280 million, 10.3.

Senator **Aiken**. Except for Kansas, we would not be producing enough to meet our requirements here and abroad each year.

Senator **Carlson**. They want to cut us 20 percent more, after cutting us from 18 million to 10.3 million, and then they want to cut that 20 percent.

Senator **Aiken**. Which is not safe.

Senator **Carlson**. That is correct. It is too much.

Senator **Aiken**. With the drought coming in the Dakotas and Montana which is eliminating a good share of the most desirable, most salable wheat.

Senator **Carlson**. That is right. We will be going into a drought. We have had several good years and we are going to go into a drought period one of these times. We do not like to talk about it, but we are.

Senator **Aiken**. That is why I am reluctant to let them make long-term commitments here until we know how we are coming out agriculturally.

TWO POLICIES WORKING AGAINST EACH OTHER

The **Chairman**. George, I agree with trying to clarify that. I am not at all clear about that, why that would affect the lending program on which the long-term authority in this bill is sought, which involves only the dollars and does not involve the local currencies.

Senator **Aiken**. We have had two policies of Government working against each other right now.

The **Chairman**. Do you think they necessarily are dependent one on the other?

It is going to be mighty hard to clarify the agricultural policy on the contents of this bill.

Senator **Aiken**. You cannot tell. We meet tomorrow and we might have a bill tomorrow afternoon.

The **Chairman**. Let us try to explore it a little without any firm commitment, but with respect to the general attitude on the long-term borrowing, leaving aside for the moment the agricultural. I just wondered, to test out sentiment, what the likelihood would be of our attitude on it.

Is there any opposition to it?

Senator **Hickenlooper**. Yes.

The **Chairman**. Are you opposed to it, Bourke?

Senator **Hickenlooper**. Yes, except in certain categories.

The **Chairman**. Give us a little guidance.

LONG-TERM BORROWING

Senator **Hickenlooper**. Borrowing on such things as Interdevelopment Bank and things of that kind, but long-term borrowing on projects until we know what they are, that is physical projects—my theory always has been that I think maybe it could be called a short-sighted period or a short-sighted idea by some, but I am not willing yet to accept foreign aid as a permanent part of our American economy and philosophy. That is why I have resisted making a lot of these people civil service employees and that sort of thing, again, lifetime rights and permanent status and this, that and the other thing, which freezes it into an integrated permanent part of our policy.

I would at least maintain the fiction that there is a termination date to it at some time.

The **Chairman**. Would 5 years be too long? That is what they are asking for.

Senator **Hickenlooper**. Yes, I would say 5 years was too long. Maybe 4——

The **Chairman**. I think the committee's previous action was 3 years, was it not?

Senator **Hickenlooper**. I think I went along with that.

Mr. **Marcy**. It was 5 years.

The **Chairman**. I thought it was 3 years.

Mr. **Marcy**. Five.

Senator **Aiken**. Did that go through the Senate 2 years ago?

Mr. **Holt**. No.

Mr. **Marcy**. It went through in 1957.

The **Chairman**. In 1957 it went through, and last year it did not. Wasn't that for 3 years?

Mr. MARCY. I am sure it was 5 years.

Mr. DENNEY. As it passed the Senate, it was 3 years; as it passed the committee, it was 5 years.

The CHAIRMAN. It passed the Senate and it was 3 years?

Mr. DENNEY. In 1957.

The CHAIRMAN. That was just for the Development Loan Fund.

Senator HICKENLOOPER. Well, as I say, I am a little selective as to what my attitude is on what the funds are for. I can justify in my own mind the longer term operation there on loaning operations, banking operations, more so than I can on just giveaway operations.

The CHAIRMAN. That is the point.

SOFT LOANS

Senator AIKEN. We have, however, set up the soft loan business of the International Bank which I see now making 50-year loans with no interest. It starts paying back after 10 years. We have set up an Inter-American Bank which is lending for 20 or 30 years. I do not know what else we have done—the Export-Import Bank, I guess, lends for 20 years anyway, do they not?

So far as loans go, they have long-term commitments, except for the ICA and development loan. On the development loan, how long is that for?

Mr. HOLT. There is no limit.

Senator AIKEN. International development loan, as I say, is loaning for 50 years, loans to India.

FOREIGN AID AS A WEAPON

Senator SYMINGTON. I do not see what we are going to do about the world unless we are willing to face up to the problem in these newer nations and around the world.

I read over the weekend "Edge of Freedom," and I do not necessarily agree with Lippmann's idea of not having foreign aid, and I am speaking on the point that Bourke made, not contributing to foreign aid is like the richest man in town not contributing to the Community Chest. But I do think there is some merit in it and, in my opinion, based on my knowledge of other committee membership, this Berlin situation is not only the most serious problem this country has ever faced in my time, but maybe ever faced, and now that Khrushchev has gone on the air around all over Russia stating his position, I do not see how he can pull back like he has three other times.

I do not think there is any weapon we have today, including a nuclear arsenal, nuclear missiles, that could be as effective, if properly used, as foreign aid.

The day is gone which, as many of you know, I tried to emphasize the importance of our staying strong to the point where we could be illogical, but I lost that fight in the last 15 years, and we are no longer any stronger than the Russians so far as the military aspect goes.

We are stronger economically, and we can stay that way for some time. We do not want to push against them. They do want to push against us. If we do not use the weapon of foreign aid, I just do not see what else we are going to do except sit here and watch them take the world over.

The **Chairman**. My real objection is not so much to the financing of it; I am willing to go along with that. What I do object to is the sort of casual way in which it is administered, and this idea of picking up everybody and giving everybody, and continuing some certain hopeless situations.

What I would be most interested in is reform of the actual substance of the program itself, and not how much money they have got. I mean, under this program they are asking, that I am now talking about, not the 480 or anything else, they are asking for 5-year authorization; the first year $900 million and the succeeding 4 years $1.6 billion, which makes $7.3 billion. That is for development loans which are supposed to be repayable, development loans as distinguished from grants.

Senator **Symington**. That is $1.5 billion on the basis——

The **Chairman**. That is the revolving fund that you add to it, so that makes $8.8 billion. But the actual new money borrowing authority that they have is the $7.3 billion.

What I do object to, and it is the hardest part for me to find out how to do it, is to reform the approach of the administration in the over-all aid.

PICKING SOME KEY COUNTRIES

In other words, I am much taken by the idea of picking out some key countries and trying to make them really function, instead of going into a lot of new countries that are pretty hopeless or continuing the level of aid we have now had in Korea indefinitely.

I think something different ought to be done there, and the same problem exists in Southeast Asia.

India, Brazil, have hopes of becoming strong and effective countries, and it would be a real source of strength, and ought to be given great attention, not just handed the money on a silver platter, but the best brains we have got to go in there and see a workable system of long-term development created, and that we do a job in those countries.

This military aid strikes me as though we are handing out a little all over the world, 60 countries, and I think that much of it is as, in places like Iran, there you have created an army that is too big for the country's own internal development or security, and nothing big enough to challenge Russia.

I think the difference is just mostly waste and a great burden on that country, as well as on us. A small army for internal security is all right, but they have 200,000 people, and some highly sophisticated machines of war that really would not last any time against Russia, and it is a great deal more than they need for their internal security.

This kind of a situation just does not appeal to me at all.

MANAGEMENT OF FOREIGN AID

Senator **Symington**. Mr. Chairman, I was not speaking to that. I was trying to answer the theory of the good Senator from Iowa, the theory that he mentions, the theory or philosophy behind the question of foreign aid.

I would be the first to say in all the administrations that I have had anything to do with or seen, the question of management of foreign aid has been one of the sadest aspects of Government.

The **Chairman**. It is the basic approach that we have drifted into one situation after another, and assumed responsibilities that involve our prestige and an awful lot of money, and some of them are hopeless.

Senator **Aiken**. Bill, I believe it is a good program. I believe we are foolish to go farther than we have management and technical personnel to carry on, and we have already done that. We have committed several countries 2 or 3 years ago with almost 100 technicians, and by scraping the barrel we dug up 60, 65, and I do not know what quality they were, and that is true of management, too. The whole world is short of management and technical training today.

The **Chairman**. I think this fits in. We do not have the people to man so many different operations, and we might get together enough to make a success of a few.

Senator **Aiken**. I think it is a question of determining what we can make commitments for and carry them out.

ABANDONING COUNTRIES TO COMMUNISM

Senator **Hickenlooper**. On the other hand, it is an argument as to whether we scatter our fire or concentrate it. If we concentrate it on a few countries, we abandon the others to communism, I do not mean necessarily to communism, but we abandon them as happy hunting grounds to communism.

The **Chairman**. I think that is the price you have to pay.

Senator **Hickenlooper**. Well, do we?

The **Chairman**. Yes. Unless you are going to do them all.

Senator **Symington**. Why not? In other words, as a junior Senator on this committee, I think Senator Hickenlooper has a point there, Mr. Chairman.

You take the probing aspect of communism is trying, as soon as they see where you are going to, you might say, shore up your position economically, they will abandon the efforts there, and go to work on the ones that they notice you have decided not to shore up.

Senator **Aiken**. I would work on all of them, but I would work on some of them on a multilateral basis.

The **Chairman**. I hope we do not get in there.

Senator **Aiken**. We will get in trouble all over if we try to help all those African countries bilaterally.

Senator **Hickenlooper**. I think we are justified in spending even what amounts to a wasteful effort, I mean what appears to be wasteful, in some places and in some cases on the contiguous countries, that is, the countries contiguous to communism.

I think it is still apparent, as it always has been, that communism hesitates to stick its neck out very far in countries that are not contiguous to its own territories, and that is why I would be perfectly willing to minimize, let us say, Africa, and, I think, that is one of the reasons why we have been willing to minimize, to some extent, Latin America. They are not contiguous to the heart of authority of communism.

But if we virtually get out of Korea, of course, it will go Communist in 6 or 8 months, no question about it. If we do not continue to at least show a certain strong interest in Vietnam, that whole area is going down the drain.

So far as India is concerned, I am very restless with the, not so much the amount that we are putting into India, but the fact that we are daily encouraging the strengthening and the advancement of a Socialist government in India, and I do not see that we have done anything in this India program to really further the private incentive and private enterprise system in India.

MIXED ECONOMIES

The CHAIRMAN. Well, the evidence that we have is that the private sector of their economy is growing and making great progress. That was very clear in two or three meetings.

Senator HICKENLOOPER. Well, I guess I did not hear it.

The CHAIRMAN. I know we had that testimony. I think you are going to have mixed economies. We have it ourselves. We still repeat a great many slogans that do not apply to us. We have a lot of Government operations that you could call socialistic if you want to use that term. I think those terms, to a great extent, have lost their old meaning partly due to our own activities.

We have an enormous amount, and we are not moving away from it. We are moving more toward it in our own country, Government regulations.

Take these cases of these great electrical companies, the finest blue chip industrial organizations in this country. All of them were recently convicted of violating the Anti-Trust Act. What this is indicative of is not that they are staffed by a lot of criminals, but it is indicative that the conditions have changed such that this old law of, Anti-Trust Law, just does not fit modern situations, and these people are forced into this, and practically all of them are doing it.

The steel people are doing the same thing; the automobile people, too, and they have to do it under modern conditions that have grown up in big business.

Th idea of competition as it prevailed in the days of the enactment of the Anti-Trust Law, is no longer able to apply, and I do not believe these people are doing anything but reacting to the necessities of their case, by and large, and they are all doing it. This crowd happened to get caught.

Take your railroads. There was a wonderful piece in yesterday's paper about contrast between the Rapido running from Rome to Milan, and our running from Washington to New York. It is just as disgraceful what has happended under the deterioration of the railroads in this country.

Now, something has to be done if we are not to just completely degenerate all across the board. I think this recent discussion of our mergers, and so on, is indicative of this. They sense something has to be done, and they are beginning to feel and grope for it.

Senator LAUSCHE. Something has to be done about what?

The **Chairman**. Railroads. You saw the piece yesterday about the deplorable condition about our transportation?

Senator **Lausche**. Surely; that has been known, but what we are doing is subsidizing all but the railroads, and the more we subsidize the merchant marine and the air fleet and the inland water carriers, the greater the disadvantage at which the railroads are put.

HEADING TOWARD A PLANNED ECONOMY

The **Chairman**. Well, Bourke said he was objecting too, criticizing aid to India because it is Socialist. I was merely connecting the point that we are drifting toward greater and greater government supervision and interference in all of these activities, and you can call it socialism if you like. I do not think that is a very good term any more.

Senator **Hickenlooper**. I made a few little speeches back home in which I said that we were heading toward a planned economy.

Senator **Lausche** I think we have been going too far that we have gone out to the brink. It is a Socialistic state.

The **Chairman**. You are supporting what I tried to make, the argument I tried to make, Frank.

Senator **Lausche**. I am not for it.

Senator **Symington**. Here we are a lot of poor old broken down starving Socialists. [Laughter.]

Senator **Lausche**. We are pushing it more deeply. Every time I go up to the floor we are being pushed into it more deeply.

Senator **Carlson**. On this long-range program for this, I have heard a great deal of testimony, and I have supported the long-range program, and I probably will again. But I do have some questions.

There are two things, and the chairman mentioned one right now, and that is if we adopt a long-range program, 4 or 5 years, some of these people in these places are so tied in that you cannot change it. That is one thing I fear.

The **Chairman**. You mean our administrators?

Senator **Carlson**. Yes, I mean generally. I mean you set up a 5-year program there, and you have the people who are going to run it, and you cannot make a change.

We should make changes, but I do not know what they are going to be.

Second, when we had Korea, I asked a few questions along this line of a changing government. What are you going to do if you give a country a 5-year program and somebody is looking at it from the outside and says, "Well, I will just take over." It could be a dictatorship. How are you going to protect yourselves? How are you going to get out of it if you do not like the government? You made a commitment. That is what concerns me.

The **Chairman**. There are a lot of problems in administration, and this is the area that bothers me more than anything else, just what you are saying, how it is administered, and I think we ought to try to come up with any suggestions we can. I hope somebody will have some good ones before this is over for the guidance of the department.

I really think these people would probably welcome some. I think they are floundering around and do not know either. I think they would like to do something, and they do not know what, and they follow the existing pattern without either any ideas or courage to change.

FIVE-YEAR ARRANGEMENTS

Senator CAPEHART. Mr Chairman, will you listen to this thought I have? It has never entered my mind, I have rather been in favor of the long-term authorization, but it never entered my mind that I was doing it for any other basis than to give the administrator and the loaning agency more time to make good loans and more time to study the loans and make certain that the loan ought to be made, that the project ought to be developed.

Now, it was never entering into my mind that we were on the basis of any 5-year arrangements, entering into any kind of arrangement beyond what you would enter into if it was a straight appropriation and limited to the contingencies that appropriations are limited to. Now, can't we do it that way?

The CHAIRMAN. I thought it would mean they have authority to do it. It certainly does not mean that all the loans must be 5 years. They would take considerable time under this kind of a procedure, I think, to do what you said, to analyze it and develop a program in some of the basic activities which it takes more than a year, which nearly all of them do.

It is a discretionary authority. It has to be, and you have to assume that these people who administer it are reasonably intelligent.

This is another reason why I do not think they can do it in every country, and there are only a few countries that have a possibility of sufficient success to warrant it.

We cannot pick out those countries in legislation because it is very offensive, but I would like assurance from the department which administers that they will try to bring their policy in line with this, if they are going to try to warrant it to succeed.

Senator HICKENLOOPER. You have had that assurance every year, Mr. Chairman, for the last 10 years. They do not do it.

The CHAIRMAN. I do not think we have insisted on it. We have not gone into this policy very closely. We have usually dealt with this in the broad sort of aspect, with a broad brush, that so much money for an activity without attempting to influence what they did, and they have always said, "Well, we only had a year and we couldn't undertake this or that, and we did what could be done in a short time."

TAKING ON PROJECTS IN A RUSH

Senator WILLIAMS. One of their big arguments in favor of the 5-year plan was the fact that under existing law they end up the last month or just before the end of the year, and they have a rush and they take on projects they shouldn't.

The CHAIRMAN. Yes.

Senator CAPEHART. That is what I want to avoid.

Senator WILLIAMS. I do, too.

Senator **Capehart**. That is all I want to avoid.

Senator **Williams**. I am wondering instead of taking the 5-year plan if you could not continue it on a year-to-year basis as you do, but put the provision in that money that you appropriate for the next fiscal year does not have to be spent in the next fiscal year but if they want to carry over part of the money next year it does not lapse, but it carries right on over, and then if they end up next June 1 and they have $400 or $500 million left, rather than have to try to spend that because they seem to think it is a crime to have any of it turned back, if they can carry that on across, negotiate then and have that extra next year over and above what they are asking; in other words, just giving them the continuing authority once we appropriate it, let them have it.

BUREAUCRATIC MENTALITY

Senator **Hickenlooper**. That is a good idea. That has been discussed in times past. But, of course, you have the bureaucratic mentality in there. They always get around to the idea well, that sounds good, but they say "We have noticed if we have any surplus left over, then Congress automatically cuts down for next year, and they say that surplus will apply, and they get less than we already have."

Senator **Williams**. I agree with you. But if you are not going to correct that bureaucratic mentality, I would not trust them with 5 years.

Senator **Hickenlooper**. Bureaucrats say that you had better correct the legislative mentality.

Senator **Williams**. That is right. Use that as an example of the Comptroller General, who has on numerous occasions come back in his department and said, "I didn't need all of it."

The result is that in all my experience here I do not recall a single instance where anyone, with all of the cutting of appropriations, has ever tried to cut the Comptroller General's office. There is a feeling which has developed that he is operating efficiently, and he has built up the confidence of the Congress to that effect, and I think these agencies could do the same thing.

Senator **Symington**. You have another problem there that is rather interesting. Nobody checks the Comptroller's Office, and nobody thinks more of the Comptroller than I do, especially this Comptroller General. But there is no way we can find out whether he is operating efficiently or inefficiently.

Senator **Williams**. I do not know.

Senator **Symington**. That I know about.

Senator **Williams**. That is partly true. But I would say this: On the reports he puts out to Congress on his operations, they are the most detailed reports on financial operations of his agency, more so than any agency I know of.

Senator **Symington**. John, I do not criticize it in any way.

Senator **Williams**. I know you did not.

LONG-TERM PLANNING AND CAPITAL EXPENDITURES

Senator **Symington**. I want to present this point, and I know Homer will agree with me. In business you cannot operate without long-term planning with respect to capital expenditures. You just cannot do it.

Now, when I first came into government, everything that was bought by the Navy which is, by and large, the best service logistically, was bought on a basis where, in effect, they had back door financing. Once you laid the keel you never had to come back to the Senate Appropriations Committee for money. You just went to the Treasury and finished the ship.

There would be criticism of that, but fundamentally, in my opinion, you did a better job in the long run.

On the other hand, when you bought an airplane for the Air Force or any complicated part for the Army you did it on a year-to-year basis, and somebody had recognized that it might be a good idea to put good business practices into the functioning of the Navy which, as you know, took most of the money between World Wars I and II.

Now, all I say is if you are going to do this job, and provided you can keep control of the Congress properly, and my seniors here know how that can be done, it is incredible to me that we do not, especially those of us who believe in the soundness of American business practice, give these people the same opportunity to function efficiently as we do private business.

I am the first to agree with the chairman that the worst part of the foreign aid program is its management. On the other hand, when we discuss this problem we are discussing the way and as to how to improve that management.

I was very much impressed by the statement that was made before this committee, and I am sorry more members were not there, by the representative of the United States Chamber of Commerce in which he said he was against this, but he wanted to go for a 3- to 5-multi-year appropriation which, in effect, is the same thing done on a different basis. He said he would go 3 to 5 years.

I said or I asked him which would he prefer? He said the 3 years.

I said, "Would you take 5 years?"

He said, "Yes."

Now, you have got to a point where when I first came here the United States Chamber of Commerce was completely opposed to this to a point where they are willing to take 5 years on a multi-year appropriation basis, and I must say that if we believe in this thing, and I believe in it because I do not see any other weapon we have that is superior to the Communists beyond our economy, I would like to give them a chance to operate on the most efficient basis.

ADVANCE AUTHORIZATION

Senator **Williams**. You are speaking of two different things. You are speaking of a multi-year appropriation. When we first passed the Marshall plan we passed an authorization 4 years in advance and made annual appropriations. It took up affirmative action by Congress.

Senator **Symington**. I knew I was speaking of the year-to-year, the multi-year, and then what is called the back-door financing.

Senator **Williams**. Personally, if you are going to do something, I would much prefer advance authorization, 3 to 5 years. If they had to come to Congress to get the money each year, as they would, then it would be better to give them the advance appropriation which is, in effect, what you are doing when you let them borrow from the Treasury, with Congress having to come in and taking affirmative action to veto that.

I do not like that action on vetoing it because I think if you are going to have Congress re-evaluate this every year, and they should, then let us do it, and go before the Appropriations Committees and just give them an authorization in advance, and coupled with the fact that if they have any money left over at the end of June, personally I would be willing to say let them carry it over to the next year.

Senator **Hickenlooper**. Well, you have two areas of operation in this thing. You have your loaning areas——

The **Chairman**. That is the one we are talking about.

Senator **Hickenlooper**. And you have your contribution areas.

The **Chairman**. That is right.

BACK-DOOR FINANCING

Senator **Hickenlooper**. That is where it is just a donation.

As I said a while ago, I have supported the idea of some back-door financing in the loaning operations, and I think the history of our loans, where they have made it on a long-term basis, has been pretty encouraging, pretty good over the world.

I do not know that we have made any really bad loans of any size.

But when you get into this aid proposition, where it is purely aid, then I have seen them all over the world, you get these eager beavers in the government who get out and ingratiate themselves with the local government, and they will set out a grandiose plan for aid, and if you let these fellows go, most—I should not say most—of them, but there are an awful lot of square pegs in round holes still in the operation, and that is a difficult thing.

I realize that the kind of people you would like to have, you cannot always get because they will not give up a good job here because of the uncertainty of a 4- or 5-year operation abroad. So sometimes you have to take second-rate people and people with little experience.

But I try to differentiate between the contributing area or the contribution area, and the loaning operation.

The **Chairman**. Oh, yes, we ought to keep that in mind.

Senator **Hickenlooper**. For years a number of us have hoped that we could get into soft loans where there will be an obligation to pay back, at least over a period of time, even on a soft loan basis, which won't impair their primary credit necessarily. But I have always thought that if a country merits, that is, if they consider that the future economy of that country merits, an investment by way of aid or loans, that the developing economy of that country ought to absolutely pay back the entrepreneuring efforts and the stuff that goes in there. I think it is not only a matter of self-respect, but a matter of business.

LET THE PEOPLE KNOW WHAT WE ARE DOING

The CHAIRMAN. The provision here, I want it to be clear, the item we are talking about under the development loan area, is a provision where it is to be repayable in dollars, not in local currency or anything else. That is the part that is sought for the 5 years. That includes the $300 million, together with the $1.6 billion, making a total of $8.8 billion.

I was wondering, John, does it appeal to you much more, would you be more favorable, to an authorization now for 5 years of $8.8 billion, with a requirement of annual appropriations?

Senator WILLIAMS. If you are going to do it, I would say this: If I were going to do it I would sooner do it that way and know what you are doing.

The only difference of it is it sounds bigger, sure, but why not let the people know what we are doing, and let it sound as big as you want it to be.

One of the things that is disturbing me, and over the weekend I was examining some figures furnished by the Department, was this $300 million they mentioned—there is nothing in this book that says it is $300 million. That is an estimate they quoted out of thin air.

The CHAIRMAN. Not out of thin air. That has been based on the record of the last several years as their estimate.

Senator WILLIAMS. Well, the record of this year, this past 12-month period, it would be around $700 million.

The CHAIRMAN. That is the prepayment in Germany you are talking about.

Senator WILLIAMS. The prepayment of Germany, but they have still $400 million of prepayment which is not credited to the general fund but carried over to next year, and makes next year $700 million just as easily. But this section is in perpetuity. It does not go out in 1 year, 3 years or 5 years.

PUTTING ON A LIMITATION

If we take it, as I understand it, and your staff can correct me, once we pass this, this is in perpetuity. They can use all of these repayments, and there are $6¾ billion in that.

Senator AIKEN. We could put a limitation of $300 million a year.

The CHAIRMAN. That would not be hard.

Senator WILLIAMS. You could put a limitation when it expires. But, if not, as I understand it, we could take it as is and never touch it again for 40 years from now if they are getting repayments; they could use them.

Senator AIKEN. It should be increasing as time goes on.

The CHAIRMAN. I think we could prevent that.

Senator WILLIAMS. This would be increased by all these other loans that come in. They gave us a list of $6¾ billion that is available. I just question the wisdom of——

The CHAIRMAN. I do not think there would be any objection to putting a limit on it.

Senator LAUSCHE. Do you need a 5-year term in which to work out a program? Your 5-year program would be $8.8 billion?

The **Chairman**. $8.8 billion is the 5-year lending, repayable in dollars, part of that.

Senator **Aiken**. That is misleading though.

The **Chairman**. What?

Senator **Aiken**. That, I think, is misleading, isn't it?

Because part of that is based on 5 years and part on 1 year.

If you base the whole thing on 5 years at the same rate it would come to $17 billion

The **Chairman**. I do not follow you, George.

Senator **Aiken**. Well, they are estimating, they ask for the appropriation for 1 year, $1.8 billion. The rest of it is backdoor finances and repayments. But I do not believe they are not going to ask for another appropriation for the next 4 years either and if they ask for it at the same rate it would come to about $17 billion instead of $8 billion.

The **Chairman**. You are including the overall program?

Senator **Aiken**. I think I was questioning Dean Rusk about that, and while he was insisting on $8.8 billion, the man sitting alongside, who was an accountant, was going this way to me, nodding, in agreement.

The **Chairman**. That is including the overall program?

Senator **Aiken**. If you count at the same rate for 5 years, it would come to $17 billion. But he is estimating the way they add up, they are adding no appropriation after the first year.

Senator **Lausche**. Well, are we now speaking of appropriating $8.8 billion to them?

WHY FIVE YEARS?

The **Chairman**. What I asked, Frank, is in reply to Senator Williams' observation, that rather than give this borrowing authority 5 years, which combined with the $300 million a year, would amount to $8.8 billion for those, all repayable in dollars as distinguished from any of the other parts, the contingency, the special fund, all those which are either grants or repayable in local currencies and so on, but I was trying to clarify this one point, and what I would like to do is test the sentiment of the committee on the long-term borrowing for just the development loan program that is repayable in dollars under the terms of this bill.

Senator **Lausche**. Under that, why do you need 5 years? Let us say 1 year is too short. Why 5 years?

The **Chairman**. Well, it has been established in all other countries, and many people, that 5 years is a reasonable term to plan basic development of long-term projects, including transportation, industrialization, and so on.

You cannot do it in 1 year, and 5 years is a term which has been more or less commonly accepted. I do not know that there is any precise thing, why it should not be 4 or 6 years, but 5 years has just been arrived at as a reasonable term to try to set up such programs.

Senator **Lausche**. If it is a 5-year authorization, would they come back each year?

The **CHAIRMAN**. Not for the authorization. If you give them the borrowing authority they do not come back except to report what they have done. We can always inquire about that at any time.

But they have the authority and it could be revoked. There is nothing to prevent the Congress if it saw fit the following year, to say, "Well, we cancel this. Whatever outstanding commitments there are, we would be morally bound to them, but we can revoke the authority."

But in the absence of any additional affirmative action it would continue——

Senator **LAUSCHE**. No action——

The **CHAIRMAN** [continuing]. Five years.

Senator **LAUSCHE**. No action of any type at all would be required?

The **CHAIRMAN**. No.

Senator **LAUSCHE**. They do come back for appropriations.

MULTI-YEAR AUTHORIZATION WITH ANNUAL APPROPRIATIONS

The **CHAIRMAN**. Now, the alternative that Senator Williams suggested is how about a 5-year authorization which would require an annual appropriation. That was the sort of counter offer, we will say.

Senator **SYMINGTON**. A multi-year program.

The **CHAIRMAN**. It is an authorization, but requiring annual appropriations.

Senator **WILLIAMS**. Isn't that what you did with the Marshall plan? Wasn't that a 4-year authorization?

The **CHAIRMAN**. I am not sure.

Senator **HICKENLOOPER**. It was announced as a 4-year program. I forgot what the authorization was.

The **CHAIRMAN**. Was it, Pat?

Mr. **HOLT**. The authorization had to be renewed annually.

The **CHAIRMAN**. It was merely an understanding. It was a 4-year program.

Senator **HICKENLOOPER**. At the outset it was announced as a 4-year program. That was the understanding.

The **CHAIRMAN**. That was the understanding.

BORROWING AUTHORITY

Senator **AIKEN**. May I point out the difference between the figures you have and the $8.8 billion? The Department, they used the capitalization fund, which is exclusive of appropriations for these different purposes.

The **CHAIRMAN**. It is the one that relates to the borrowing authority through the public debt transaction.

Senator **AIKEN**. The borrowing authority, plus an initial appropriation to start them off of $900 million—no—that is right. It is all borrowing authority, $8.8 billion.

The **CHAIRMAN**. That is section 202.

Senator **AIKEN**. Borrowing authority for capitalization.

The **CHAIRMAN**. That is right.

Senator **AIKEN**. And does not include their request for appropriations which is $1.9 billion this year and, presumably, there will be requests for appropriations for the coming years.

The **Chairman**. That is right.

Senator **Aiken**. And at the same rate that would come to something like $17 or $18 billion.

The **Chairman**. That is right, George. But it is under different terms, and so on. It is really different in that this is repayable in dollars and the others may or may not be in grants, and so on.

Senator **Aiken**. I think it is the overall costs we want rather than the amount of capitalization loan that is returnable, because it all comes to $17, $18 billion.

SUPPORTING ASSISTANCE AND MILITARY ASSISTANCE

Senator **Capehart**. Mr. Chairman, what is the difference between supporting assistance fund of $581 million and military assistance and the contingency fund of $500 million? What is this supporting assistance?

The **Chairman**. It is a combination of the old, what we called the defense support, which is, to a great extent the granting of funds. It is made to these countries, the old defense part was made, only to countries to which we gave military aid, such as Turkey.

Senator **Hickenlooper**. They used to refer to it a lot as infrastructure.

Senator **Capehart**. Is that a complete give-away or a grant?

The **Chairman**. By and large it is. I would say maybe all of it was, but largely a grant in support of countries that we gave military aid, such as Turkey, which is the best example.

Senator **Hickenlooper**. We built the Orly Airport on infrastructure.

Senator **Capehart**. What is military assistance?

The **Chairman**. That is largely giving them military weapons, airplanes, tanks, guns.

Senator **Capehart**. And supporting assistance is where we maybe give them money to buy merchandise?

The **Chairman**. It is to support their economy when they support an army far beyond their means. That is really to keep their economy from going clear hay-wire because of the large military expenditures.

Senator **Capehart**. But that supporting item is up to the discretion of the President, is it not, or do we lose complete control of it?

The **Chairman**. When we make the authorization, appropriations, then the military supply the guns and weapons, and so on, and the ICA, the administration analyzes it and determines how much supporting assistance they must have.

Senator **Capehart**. Have we ever had an accounting of the President's contingency fund?

Mr. **Marcy**. Yes, sir.

The **Chairman**. I think we get a report on it, get a copy of it.

Mr. **Marcy**. It is the report of last year.

Senator **Hickenlooper**. Mr. Chairman, Homer, a lot of this supporting assistance, they change the name every time the moon changes, but a lot of it is, for instance, they build a pipeline which serves not only the public but in time of emergency would serve the military.

They will build highways and build supporting structures of various kinds which serve the economy as well as the anticipated possible use for the military.

The CHAIRMAN. Well, that is true. That was done in Spain and especially in the NATO countries. That is where the word "infrastructure," the first time I ever heard of it, was building pipelines and things of that kind. It would be primarily military.

AID TO STEEL WORKS IN POLAND

Senator CAPEHART. I have before me here the allocation of the contingency fund for 1961. Where is this $31 million—I assure you I am not playing politics with this because I understand President Eisenhower gave it to them—the $31 million on the Stalin steel works in Poland? Where do I find that?

Senator LAUSCHE. What page are you looking at?

The CHAIRMAN. What page are you on?

Senator CAPEHART. Page 60 of the red book they handed me and said that is where it was on. Where is the $31 million, if that is the right figure, where it was made to the Lenin Steel Mill, in Poland? Where do we find that?

Mr. DENNEY. The corresponding figure which is in the bill you will find in the Special Contingency Fund section which is on page 22, line 50. That is where the money will be from now on. In the past, in existing mutual security acts, it is section 451.

Senator CAPEHART. I want to know now, show me where the President reported, or where we have any printed letter, printed document, showing the $31 million, if that is the right figure, that went to the Lenin Steel Mill.

Mr. DENNEY. We will have to get it out of the file. Every time he does it he sends a letter giving the detailed reasons.

Senator CAPEHART. You have that letter? Let me see it where he gives the reasons.

AID TO YUGOSLAVIA

Senator LAUSCHE. I would like to see the letter dealing with the last loan made to Tito. There were several governments that joined in a joint loan, and we made, the President made, one out of the contingency fund, I think.

Mr. MARCY. Yugoslavia is in a little different category. You do not have to have any special determination every time you do that, but there has not been any military aid to Yugoslavia for 3 or 4 years now.

Senator LAUSCHE. Do you know what item I am talking about now?

Senator CAPEHART. Get me the steel mill letter.

SECRET AGREEMENTS

I am of the opinion, gentlemen, that most of our troubles stem from secret agreements, agreements that are made without the knowledge of Congress and the people or the press, and I am preparing a thesis on it, that is what they call it in school, a thesis, I am preparing a thesis on that subject right now.

Senator AIKEN. Has it been brought up to the committee here?

Senator CAPEHART. For example, we would have either won the Cuban invasion or would not have gone in at all if it had not been a secret operation. I think you will find all of our troubles stem from secret agreements. We got into trouble with the U-2 because of the secret——

The CHAIRMAN. Everything they do in CIA is a secret. It is a black art. It is supposed to be a secret.

Senator CAPEHART. That was not my statement. My statement was that all of our troubles stem from secret agreements. That is another subject matter.

Senator SYMINGTON. Mr. Chairman, I asked for some information, and this, to me, indicates what is the matter with the program.

We were going to give some money to Mali for parachutes, and asked did they have airplanes, and we asked for the record. They do not have any airplanes. They said, and this is classified, highly classified, so you want to be careful—in fact, they have no airplanes, but they could use three commercially configured DC-3 transport aircraft, provided by the United Kingdom. That is a lot of nonsense. You cannot jump parachutists out of a DC-3. It would not be possible. It might be one or two. You have no hooks. That is number one I thought would interest you from the standpoint of what we were talking about management.

We are putting money up for parachutists in a country that has no airplanes.

Senator AIKEN. Yes.

Senator WILLIAMS. How would the 5-year program improve that?

Senator SYMINGTON. I think it is a question of management regardless of the program. You get the program.

AMERICAN DEPENDENTS ABROAD

The other thing I thought would interest you is, and I did not know the figure was this high, I must admit. How many people do you think we have abroad? There are a lot of places abroad where they do not allow dependents. How many do you think we have abroad, with the exception or Okinawa—435,000 military dependents.

Senator HICKENLOOPER. You mean we do not have any dependents in Okinawa?

Senator SYMINGTON. I do not think so; the Marine Corps does not have any. I do not think they allow any familes to go.

Senator MANSFIELD. The Marine Corps does not. The Army has them.

Senator HICKENLOOPER. The only reason I ask is I went into Okinawa a year and a half ago, and the whole mess——

Senator SYMINGTON. I think I mentioned the Marine Corps, but the total amount of money of these people, including the military, talking about closing the gap, is nearly $4 billion per se a year.

Senator LAUSCHE. How much for the dependents?

Senator SYMINGTON. It does not list it.

Senator MANSFIELD. The question arises in that respect of what happens if the showdown comes in Berlin, and you have these dependents there, and you have West Berlin, something like 400,000 or more?

Senator SYMINGTON. Three hundred thousand in Europe alone. I asked our commanding officer in West Berlin what will happen if the balloon goes up? He said, "I will tell you what happens. Based on the way the Russians treat women, everybody in my command below a captain will go for their wives instead of going for the enemy."

That is just right across the table, and that was a fellow who was commanding the troops there at the time about a year ago.

Senator CAPEHART. You see, this contingency fund or these two contingency funds for $581 million, and another one for $500 million, go directly to the President which is over $1 billion; that is almost half of the total non-military.

The CHAIRMAN. Gentlemen, let us see if we can make any progress by taking——

COMPARISON TO STATE APPROPRIATIONS

Senator LAUSCHE. I just want to leave one thought with you. In the State of Ohio we make our appropriations on a 2-year basis, and they work out pretty well.

Senator CAPEHART. We do in Indiana because the legislature only meets every 2 years.

The CHAIRMAN. I wish this program was as efficiently administered as Ohio's finances and Indiana's, too, but unfortunately, it is not.

Senator CAPEHART. Of course, we get some help in Indiana because the Constitution prohibits us from getting into debt.

The CHAIRMAN. I wonder if we can make progress. We have had a useful general statement. I wonder if we could start with the statement of policy, which always causes considerable trouble.

Senator CAPEHART. Before we do that, can I ask a question?

The CHAIRMAN. Yes, sir.

SCHEDULE FOR MARKING-UP LEGISLATION

Senator CAPEHART. How long do you think we will be in writing up this act, just generally?

The CHAIRMAN. I think we will be quite a while. This was premature in a sense because we have not got the final thing due to the difficulty of preparing it, that we usually work from. We did not have anything else this morning, and I wanted to test out, as a general proposition, what the attitude of the committee will be.

Senator CAPEHART. You do not have any thoughts that we will write up the bill before July 4?

The CHAIRMAN. I do not. I am in favor as we go along of going into all these items that you have mentioned. I would like very much to give this a real going over this year, especially from the point of view of detailed administration, to see if we cannot, in some way, give them some guidance on improving the administration, if we possibly can. I do not have the answers, but I hope out of our discussions we can give some guidance.

Senator CAPEHART. I want to say this, I am going to give a lot of thought, and I think be quite stubborn on the fact that, number one, this money must be spent in the United States, and number two, that no less than 50 percent or maybe more of the money must be loaned to private industry directly rather than through governments. Those are two things.

The **Chairman**. You raise it at the proper time and we will have them here. I hope we can have good attendance.

I know we cannot complete this very quickly, but on Wednesday we will have the the working paper to read. Wednesday morning we could start seriously on a markup, and then we will have to go over it until——

Senator **Capehart**. I would not plan on having any meeting Friday, would you?

The **Chairman**. No, there would not be enough people here.

Senator **Capehart**. On the following Wednesday?

The **Chairman**. Before you came in I had those all present say that it would be too early, and Thursday would be the first meeting after the holiday, and I hope we would go right along, and I am not all disposed to try to push this thing too rapidly. I think it came up here late, and we are entitled to take a good look at it.

Senator **Capehart**. I am not disposed to throw roadblocks in its way to keep it from coming up here.

The **Chairman**. Well, all I hope is that we can have good attendance and give it a thorough going over, and we will have the people available, and they will have to justify it as best they can.

Senator **Symington**. Mr. Chairman, may I ask, I am not clear on who would come?

The **Chairman**. Well, there would be different ones. We are going to try to have Rusk up here on a week from Thursday, that is July 6th, and he will be prepared, and I hope we can have full membership at that time, you can raise any general or any specific question, mostly general at that point, because we cannot have all their experts here at once.

Then, as we go along through the bill we will have various people, according to their responsibilities in the Department.

Senator **Symington**. Would you have them on the 7th if you can? I cannot make it on the 6th.

The **Chairman**. We cannot delay it too long.

FUNDS SPENT IN THE UNITED STATES

Senator **Aiken**. I have one suggestion apropos of what Senator Capehart just said. I think if you require the money to be spent in the United States it is going too far. However, the way the bill is written it really suggests that the money be spent outside:

> Funds made available under this Act may be used for procurement outside the United States unless the President determines that such procurement will result in adverse effects upon the economy of the United States, and so forth.

The way that should read would be:

> Funds made available under this Act may be used for procurement outside the United States only if the President determines such procurement will not result in adverse effects,

stated a different way, because as it is written——

The **Chairman**. We will have plenty of opportunity to do that.

POLICY STATEMENT

What would you think about starting on this policy statement? It usually takes a lot of time, to get to that, and, if possible, read the second section, section 201, which is not very long, just to see if there is any specific provision—let us start with page 1, line 7 and see what the sentiment is:

> The Congress of the United States reaffirms its belief that peace in the world increasingly depends on wider recognition, both in principle and in practice, of the indignity and interdependence of man, and that the survival of free institutions in the United States can best be assured in a world wide atmosphere of expanded freedom.

These are broad statements, and I would like to see if there is any reaction thereto.

Is there any criticism of this language?

Senator CAPEHART. I do not have any specific criticism, but I would like to say this, and I will give you my ideas, and then I think you will have something to go on, but I think we are going to lose the Cold War, and we losing it, I think we are failing, because our preambles and our policies do not talk about doing this under the philosophy of the private enterprise system and representative form of government, and I see this philosophy that our people have in the administration, and it is not necessarily this administration either. Please do not say I am talking politics now, but every country has the right to choose its own form of government, and we have no right to, in making loans to them, in our relationships with them, we have no right to say to them, "Now we loan you this money, we will do this providing that you adhere to our philosophy of government, our philosophy of the private enterprise system and the capitalistic system."

I think we are apologizing for the capitalistic system, and we do not have the courage to demand that they follow the capitalistic system if and when they get help from us, and I think we are losing out every day because we do not have the courage to stand up and say, "By God, it is the capitalistic system or nothing," just as Russia stands up and says it is the communistic system or nothing, and we are not meeting it head-on and I would like to get some of that head-on business.

STAND BEHIND CAPITALISM

The CHAIRMAN. Homer, on page 30 there is a whole chapter devoted to this, section 601, encouragement of free enterprise and private participation. It goes on through——

Senator CAPEHART. We try to ruin it in the preamble.

The CHAIRMAN. These are very general statements. You cannot put everything specific in here.

Senator CAPEHART. I understand.

Will you agree with me that we have had a tendency under both Democrat and Republican administrations to have that fear that somebody might misunderstand us, that we do not stand up and fight for and have the courage to stand up behind our own philosophy of the capitalistic system, and that we are constantly saying that we are against little dictators, but we are for big ones.

Khrushchev, we say, is all right; we can sit down and break bread with him. I am just using that as an example, and not a very good one. We can sit down and break bread with Khrushchev, and have him over here, but we cannot have a little dictator.

I use that as an example which is not a particularly good one, but is part of my thoughts.

It seems to me like we do not have in our legislation and in our language and in our action and in our administration the courage we ought to have to stand up and defend our way of life, which is really the private enterprise and capitalistic system. That is really what this fight is over.

The only reason in the world we are doing this, as I understand it, is to stop communism. Why are we against communism? Because communism is directly opposed to our free enterprise, our capitalist system.

Why can't we get more of that sort of thing into this language? Why can't we get it more into the administration? Why don't we have the courage to meet it head-on? We are going to have the courage to do it some day; I think you are going to have to do it on the battlefield someday.

NEUTRALIST NATIONS

Senator **Symington**. There is only one thing I say. I do not think I can entirely agree with that statement where you say that communism says it is either communism or nothing. I do not believe they do that.

Senator **Capehart**. What do they say?

Senator **Symington**. They say, "Whatever you want we want to give you," and the countries I have visited in the world, until they have them right by the throat. They are perfectly willing to sit at their feet, and when they feel they have a position where they can then come out like Little Red Riding Hood, when she knows that it is the wolf and not the grandmother, they do it. But up until that time they are perfectly willing to follow the concept of neutralism which is now so prevalent in so many countries.

I only mention it because I do not think the problem is quite as clearcut as you present it.

Senator **Capehart**. I think you are over-simplifying their position. But even if that is true, I do not for the life of me, see how we can continue to promote socialism and communistic philosophies, and that is what they are in those countries, and permit them to do it with our money and our resources and our know-how and that is the big objection I have, and I think that is where we failed, and I would like to see more of it in this legislation. I am going to start fighting for it a little harder than I have because I am getting down to the point now where I think we have failed.

SECRET AGREEMENTS HAVE CAUSED TROUBLE

But, as I said again, or I want to say again, we will check and analyze this whole history now of the last 25 years. We will find the thing that has given us our most trouble, has gotten us into trouble, has been our so-called secret agreements.

The U-2 was one, maybe it is unavoidable. Look at that, but it was a secret agreement.

Senator **Symington**. It was the way it was handled. It was not the plane itself.

Senator **Capehart**. Would they have been more careful if the public had known about it?

Senator **Symington**. How are you going to tell them about the CIA situation?

Senator **Capehart**. Look at the Cuban situation. You cannot tell me that if we would have known the Cuban situation and the people had known about it, we would have either won that thing or we would not have gone in.

You go back to your Yalta and Teheran agreements, all these agreements, you do not think for one minute if the American people and Congress or United States had known that Berlin was going to be divided four ways, and you were going to give Russia complete control around Berlin that the agreement would have been made?

The **Chairman**. Well, gentlemen, on the statement as we have it, is there any criticism or are there any suggestions, say, to that first one? You are not committed to it finally.

Senator **Capehart**. I would like to suggest that we go back and take this one that I was looking at, 310, and put it in the front part of the bill instead of in the center. Why not put it right at the beginning. We are on page, what is it?

Why does it have to be in the middle like Castro's tractors? He put that in the middle of the speech. Let us put it in the general provision, encouragement of free enterprise and private participation.

Senator **Williams**. His speech was more effective in the middle than this.

Senator **Capehart**. And let us tie in here that X percentage of these loans must go to private enterprise directly; that the money must be loaned instead of given away, and so forth.

Senator **Lausche**. May I give you a little light on how things happen?

PARADOXICAL SITUATIONS

In my neighborhood in Cleveland there are Yugoslavs. Many of them have gone back to visit their native land, and from them I have had numerous letters pointing out that in Yugoslavia they have socialized medicine that has worked wonderfully. Everybody gets medical care. They have done it in Yugoslavia, I would say, primarily because of our help which we have given them $1.5 billion.

So Yugoslavia, to which we have sent money, has been used as the example of telling me what I should do with regard to medical care for all, whether they have the money or do not have the money with which to buy it. It is a rather paradoxical situation.

Senator **Hickenlooper**. Well, it is paradoxical, but I think it is understandable. It is like taking these natives of Africa to Russia. They go to Russia and they see certain modern things in Russia, and they say "Why, this is the most modern country in the world."

They have never seen the United States, they have never seen Western Europe, but in comparison to what they have at home in Africa, the Russians have the millenium. I mean, they come out of the jungles and go there and see all these things.

Now, in Yugoslavia they never had any medicine, they do not know what private medicine is, they do not know what real technical equipment is.

Senator **Lausche**. But, Homer is making the point that unless we emphasize private enterprise we just throw our strength behind the socialization.

Senator **Capehart**. We are helping make socialism or communism work.

Senator **Williams**. As I understand it, these Yugoslavs you are speaking of are ones who are comparing this country with Yugoslavia.

Senator **Lausche**. They want to advise me that they went there and they became infected with the idea that you ought to have medical care for all, whether you had the money to buy it yourself or not. These are Clevelanders.

A VIEW OF RED SQUARE

Senator **Capehart**. Gentlemen, in 1957 I spent 1 week at the National Hotel in Moscow that overlooks Red Square, and I came back and said that each morning you could look out over Red Square—I guess some of you have been there. I saw anywhere from 25 to 100 little groups, either black or yellow, in groups, in which they were ready to take them all around Moscow, and then wherever you would go in Moscow you would find them.

They would take them out to this big industrial exhibit and agricultural exhibit they have there which is permanent and they were there by the dozens, groups of the people. They were people from the backward countries, and they were showing them these things, as someone said a moment ago, they have never been to the United States, never been to Western Europe, and so it looked rather good to them.

They assemble people in Red Square there on a morning, and then they have an interpreter and they go in every direction.

How many of you have been in Russia, Red Square?

Senator **Hickenlooper**. You can go right ahead and speak freely, I have never been there. [Laughter.]

The **Chairman**. I have not either.

Senator **Capehart**. I have. I wanted to go over there because I wanted to see what was going on, and I did, and I saw how they acted in that respect.

I came back and reported that one of the things that frightened me was the fact that they were taking these people, bringing them in here by groups of 10, 25, 100, 200, and indoctrinating them in what they had.

Senator **Hickenlooper**. Homer, you do not contemplate subordinating this free enterprise aid, but to put it right up——

Senator **Capehart**. Put it right up in front so that is the first thing they read.

Senator **Lausche**. I think that is sound.

GENERAL SUPPORT ALL OVER THE WORLD

Senator WILLIAMS. While you are thinking about that, on page 3, the end of the first paragraph, they have what looks to me like a resolution, "It is the sense of the Congress that assistance under this part should be complemented by the furnishing under any other act of surplus agricultural commodities"——

The CHAIRMAN. What line is that?

Senator WILLIAMS. The fifth line.

What is that resolution that it is the sense of the Congress, what is that in here, and what does it mean? It goes to what we have in stockpile, not only agriculture but excess property. Does that come in under your minerals program? How far-reaching is it?

Senator AIKEN. You had better read page 38 and page 39. I guess this on page 3 is pretty much in the act now, is it not?

Mr. MARCY. It is a re-write.

Senator AIKEN. When you get over to pages 38 and 39 you come to the situation that I was inclined to blame——

The CHAIRMAN. This statement of policy, isn't it very similar to the existing one?

Senator WILLIAMS. Is that resolution, so to speak, in the statement of policy now?

Senator HICKENLOOPER. I think it is. But these statements of policy have always been offensive to me for the simple reason that they commit us to the broadest gauged general support all over the world in everything.

Senator LAUSCHE. It is a shrewd trick.

Senator HICKENLOOPER. It is a bunch of forensic claptrap, very shrewd, the verbiage organization. It is to save everybody.

Senator LAUSCHE. You are trapped 1 year, and you do not know about it the next year they tell you they declared a policy here.

Senator HICKENLOOPER. We commit our resources of the United States to saving all the countries in the world. It is like a lot of whereas clauses.

Senator WILLIAMS. It just seems to me that if we put the sense of Congress, it is the sense of Congress about Cuba and it is the sense of Congress about Red China and this is not the place to put it.

Mr. MARCY. This is not in the present law.

Senator WILLIAMS. I did not think I had ever seen it.

Senator AIKEN. What you are reading is that it is "the sense of the Congress that assistance under this part should be complemented by the furnishing under any other act of surplus agricultural commodities to the maximum extent possible."

SUPPORT NATIONS WHICH PROMOTE FREE ENTERPRISE

The CHAIRMAN. I wonder if it would be feasible to cut this down to a very simple statement?

Senator HICKENLOOPER. I wonder if we ought to cut out all of it and cut it down to two paragraphs?

The CHAIRMAN. That appeals to me.

Senator CAPEHART. Why don't we just simply say that under this act we will help any country which promotes the private enterprise and the capitalistic system that we believe in, we stand on it, and we are willing to do it. Any country that wants to agree with us, they will adopt our system, at least the private enterprise system, the capitalistic system, we will help, otherwise we will not.

That is the way the bank talks to me when I go to the bank to borrow money. They loan it on their terms.

My thought is that if we have courage to put it right in the bill we have the courage to say that is what it is, and we would get some place.

Now, we are just going to cut the dog's tail off here as far as promoting communism and socialism in the world inch by inch unless we do start.

There is some point we have to stop, in my opinion, and say: "Gentlemen, we are not going to give you money and help you to destroy the capitalistic system and private enterprise system of the United States."

We might as well have it out now as have it out later, because if we wait until later, in my opinion, it will be too late. They will become strong, just as they are in Russia, they will get stronger and stronger and stronger.

PRIVATE CAPITAL DOES NOT EXIST IN MANY COUNTRIES

The **CHAIRMAN**. Homer, in your view consistent with your idea of this principle, what countries today would you say are private enterprise systems?

Senator **CAPEHART**. There are none of them that are private enterprise systems, as I would like to see them have it.

Take Latin America: Latin America in order to hurry along its industrial development, in order to hurry the raising of the standard of living of the people, is adopting socialistic methods rather than the capitalistic methods by doing it in such a way that everything is going through the government.

The **CHAIRMAN**. Homer, isn't it true that it just does not exist, private capital does not exist in these countries?

Senator **CAPEHART**. I think to a degree that is true. But we are furnishing them money, and let us furnish it to be used in the capitalistic way.

The **CHAIRMAN**. Well, you do not have an existing structure that can do it. This is the great difference between this program and the Marshall plan aid.

Senator **CAPEHART**. Bill, if you are going to do this——

The **CHAIRMAN**. I do not think you are going to do anything at all.

Senator **CAPEHART**. If you are going to do this and strengthen socialism in these countries, and communism, then you are defeating the United States.

The **CHAIRMAN**. My idea, I thought the objective of this, was to strengthen them against going Communist, which is one of the main purposes, and the way to do it is enable them to become an independent country.

You get into this argument about terms. England has gone very far with government action. As a matter of fact——

Senator **CAPEHART**. But they are going back in the other direction now.

The **CHAIRMAN**. Not very noticeably.

Senator CAPEHART. They did go back to the left, but they swung back.

The CHAIRMAN. Not very far. About the only thing they did was to not proceed with nationalization of steel, but medicine and all kinds of activities in government.

Senator AIKEN. Fifty-five percent——

Senator CAPEHART. Maybe it is inevitable and maybe it is unavoidable, but perhaps you will agree with me that the tendency in all of these countries——

The CHAIRMAN. Is to handle it through the government.

Senator CAPEHART. Yes.

The CHAIRMAN. That is the tendency here in the United States. Here is the biggest capitalistic country in the world, yet we started TVA. Private enterprise had decided, long before you and I came here, they could not do this with private capital, so we did it with the Government, and we have proceeded in all kinds of ways. All your Government subsidies, to a great extent, are just other forms of the same thing. We have been a country for an awfully long time, whether you like it or not, and I do not particularly like it, but I think that is the way it is going, and I think if you insist and try to make them follow our course, that we just cannot do it. It is hopeless.

SEARCH FOR PRIVATE CAPITAL

Senator AIKEN. One of the Ghanaian officials told me, "Any time you can find private enterprise that is willing to take over our public enterprises, take them off our hands, we would be delighted."

Senator CAPEHART. Who said that?

Senator AIKEN. He said, "We wouldn't have any industries if the government had not started it, because private interests would not start it."

The CHAIRMAN. There is no money there.

Senator AIKEN. And he said, "We will be glad to sell them just as fast as we can."

Senator CAPEHART. Can't we take that country and help them through this money we are talking about, to set up some private industry then and make sure at least a portion of this money goes to develop private industry there? All right, let us take what he said then and say "All right, we will loan you $50 million or $100 million for your private enterprises," in that country or some other country to buy out these——

The CHAIRMAN. I do not think you would find anybody there who is trained or equipped to do it if you gave them the money.

Senator AIKEN. That goes for Argentine steel mills. They have sold one; they would love to sell the other, but in an area where they do not have their coal and lime and oil together they are not economic.

Senator CAPEHART. We have to start some day. If we take the taxpayers' money and help these countries now to make socialism work in these countries, aren't we defeating our own country in the end? Maybe it is inevitable, I do not know. We are just thinking out loud.

Senator AIKEN. Canada has an awful lot of government enterprises.

Senator CAPEHART. What?

Senator AIKEN. Hotels, railroads, boats.

The CHAIRMAN. Railroads.

Senator AIKEN. They handle all their wheat sold by the government.

Senator CAPEHART. That does not make it good.

Senator AIKEN. I do not know about the banks.

The CHAIRMAN. All around the world.

Senator AIKEN. Otherwise they are as conservative as they can be.

GOVERNMENT PROJECTS IN THE UNITED STATES

The CHAIRMAN. Ours started in a great way with the depression.

Senator CAPEHART. Nobody understands it better than I do, and that is why I am bringing it up.

The CHAIRMAN. Do you think there is any hope in this country of this country getting out of this large aggregation of Government enterprises?

Senator CAPEHART. I hope so. I think we have to reeducate——

The CHAIRMAN. You played a big part in housing. Was that private enterprise or not?

Senator CAPEHART. If you do not do it, then the world is going socialistic.

The CHAIRMAN. You were one of the principal sponsors and promoters of the housing program. and if it is not a Government project, even for the private housing, it is really largely dependent these days on Government activities.

Senator CAPEHART. Of course, I agree with the statement you made, except that I am backing up now because they are going entirely too far on housing. They are going beyond where they need to go.

The CHAIRMAN. Maybe so, but we just passed a huge bill.

Senator CAPEHART. I know they did, not with my vote.

Senator AIKEN. When that bill came up I did not have a single communication from either side from my State on the housing bill.

The CHAIRMAN. I used to have a lot; I do not know that I had anything.

Senator CAPEHART. I think you are right because the builders and realtors are getting something which is making it easy for them. I do not know anything more wonderful than to be able to sell something you know your Government is going to finance itself.

The CHAIRMAN. Take your airplane industry, all this vast network of airlines, while the Government does not own it, as a matter of fact, they prop them up, it is just as thinly disguised——

Senator AIKEN. Or a struck Merchant Marine; it could not get out of port except for the Government.

The CHAIRMAN. And the Merchant Marine.

Senator CAPEHART. What you are saying, then, gentlemen, is that the world is going socialistic.

GOVERNMENT AS POLICEMAN

Senator AIKEN. The Virginia Founding Fathers got us into it.

They found prices rising, so they put on emergency controls 8 years after they landed. The Virginia Colonists paid subsidies for the production of flax and indigo, this was going to be a great indigo country, and on tobacco and wool, too, I think. But they started the subsidy, and the Pilgrim Fathers started the price and wage controls. Look where we have gone since.

Senator CAPEHART. Where do we stop?

Senator AIKEN. I do not know.

The CHAIRMAN. I do not know. You ask such hard questions. We cannot answer all of these. This has been going on for a long time.

Take your Anti-Trust Act. Here was a direct interference with private enterprise. We said that Morgan and John Rockefeller "you cannot pursue this private enterprise, we are going to have the Government interference in it," and you have been doing it on everything.

Senator CAPEHART. I think that is the responsibility of the Government to make sure this group does not unduly harm this group.

The CHAIRMAN. Well, you are interfering with private enterprise when you are doing that.

Senator CAPEHART. We have always had policemen, and always had the military, and I think the Government has a right to say to this group "You cannot take advantage of this group over here," but that is not what I am talking about. I am thinking in terms——

The CHAIRMAN. It is a matter of degree. You take your railroads today, you read about all these ICC hearings. The railroads under private ownership are in a bad way, and they are starting to merge now. If these mergers don't solve it, it won't be long until the Government will take them over because we need transportation.

Senator CAPEHART. I think railroads are in a bad way primarily due to Government actions, starting out here with the townships and countries and the cities and states, which have just taxed those fellows to death, controlled them to death, strangled them, thrown roadblocks in their way.

CANNOT FORCE U.S. IMAGE ON OTHER COUNTRIES

The CHAIRMAN. You have given labor such control over the work of private enterprise that there is no longer any flexibility about competition.

Senator CAPEHART. My point is when are we going to reverse it and make an effort——

The CHAIRMAN. You ask me questions I cannot answer. I do not think you are going to, frankly.

Senator CAPEHART. I cannot answer it myself; I cannot answer them specifically myself.

The CHAIRMAN. I hope you do not think we are going to answer all these questions in one little old foreign aid bill.

Senator CAPEHART. I am going to fight for it here.

The CHAIRMAN. There are a lot of things wrong in this country and in this world that we cannot solve in this bill.

Senator AIKEN. I think if we were able to force our image onto every other country, we would not like it at all.

Suppose every fellow you met, Homer, had a face that looked just like yours. In no time at all you would hate everybody you met, and it would be like that with other countries.

Senator CAPEHART. George, you are missing the point entirely. Nobody wants to make them look like me or you, and nobody wants to do this, I am saying to you when we are a capitalistic system, a capitalistic government and a private enterprise government, that we have no right to take the taxpayers' money and loan them and give it away here to other countries when we know that it will be used to destroy the United States; that if they are successful in using the money that they will make socialism work.

The CHAIRMAN. I do not know that.

TITO DESTROYED CAPITALISM IN YUGOSLAVIA

Senator CAPEHART. Just as we said a minute ago, the Yugoslavs in Cleveland went back over there and they liked this medicine idea, and this medicine idea primarily, they were able to do that because of a billion and a half dollars we have given Tito.

The CHAIRMAN. Homer, does it please you that Yugoslavia is not a satellite of Russia or not?

Senator CAPEHART. Of course, I do not know that I could agree 100 percent or not. They have the Communist system.

Let me say this to you, we say they are not a satellite of Russia. Well, you might well have communism in two-thirds of the countries of the world, and they would not be a satellite of Russia, but nevertheless you have destroyed the capitalistic system and the private enterprise system.

I presume what you are saying and we are just thinking out loud now, what you are saying, I presume, is that Tito has a communistic country, but he is not dominated by Russia.

The CHAIRMAN. The whole excuse for our program——

Senator CAPEHART. That does not change the fact that he has destroyed the capitalistic system in Yugoslavia and destroyed private enterprise, and completely changed the way of life of his country.

The CHAIRMAN. The justification under both administrations, and both Parties, is that it is worthwhile to enable Tito to keep independent, and that is why we gave them this money.

Senator CAPEHART. Well, I think then, what we are saying when we take that philosophy, and I wish I was wise enough to have all the answers to the questions we are talking about, what we are saying is it is perfectly all right for every country in the world to go communistic and destroy the capitalistic system within their country as long as they are not in with Russia.

FEAR OF RUSSIAN IMPERIALISM

The CHAIRMAN. To a great extent, actually the fear, I think, in this country is the imperialism of Russia. The fact she gets so strong that she could physically threaten the security of this country.

Senator CAPEHART. I think that is right.

The **Chairman**. And that is aside from whether it is communistic. If it was an old autocracy of the Czar, we called it a despotism of that class, we would still be afraid of it if it looked like it was going to line up under its banners with sufficient force to physically threaten the security of this country.

This argument started way back on whether or not communism is an ideology, and is our enemy or is Russian imperialism spreading, using communism merely as the tool.

Senator **Capehart**. I think both are equally so.

The **Chairman**. But the real danger, I think, is the imperialism of Russia. We have got to compete with the virtues of a socialistic system by making our own better than that and more attractive.

Senator **Capehart**. Yes. But the way we try to make it better is to make the socialistic likewise, because we do not have the courage, in my opinion, to stand up and fight for the capitalistic system and to educate our people.

GOVERNMENT SUBSIDIZATION OF BUSINESS

The **Chairman**. We have an awful lot of trouble with terms, Homer. I have seen articles in which the amount of business done by Government-subsidized and Government-operated business in this country is a higher percentage of the national business than it is in India today. I have seen such statements made. I have not checked it.

But what you mean by socialism, it means different things to different people. We do not admit and say that our activities of our Government, housing—you did not get up and support that housing bill by saying, "I am for this great Socialist experiment." You minimized the socialist aspect of that legislation, didn't you?

Senator **Capehart**. Well, there never has been a time when I have been here that I have had enough votes to repeal housing.

The **Chairman**. You didn't get up and say, "TVA was a great socialistic experiment."

Senator **Capehart**. We can do such things as this, we do not have to loan money at 2 percent interest which is below what the Government pays for it, to people to go out here and compete 100 percent with private enterprise.

The **Chairman**. We do. The REA——

Senator **Capehart**. I know we did, but we should not.

The **Chairman**. I do not know. I have always supported that program, and I would not be here probably if I did not, and so would not a whole lot of others around here.

Senator **Capehart**. I have always supported the program, too.

The **Chairman**. Yes.

Senator **Capehart**. Wait a minute, with the exception of the 2 percent loan.

The **Chairman**. Well, that got started.

Senator **Capehart**. Because it is not all black and it is not all white on utilities as to whether utilities should be privately owned or public. That is one where it is not all white. For the simple reason that you give them a complete 100 percent monopoly.

I do not see why you should tax private industry, which is paying taxes to compete with an organization, by loaning that organization 2 percent money and then the taxpayers putting up another 2 percent money. I do not believe that. I think that is where we are wrong. I think those are some of the things where we are wrong.

RURAL ELECTRIFICATION ADMINISTRATION

Take REA, since we are talking about it. REA would be just as successful, particularly it would be just as successful paying the regular rate of interest as they are because they are very successful today and they are making money, and there is no reason in the world why they should be subsidized.

Senator AIKEN. Three of them in your State have paid back all the money.

The CHAIRMAN. You just borrowed, somebody in your State borrowed $50 million.

Senator CAPEHART. $60 million.

The CHAIRMAN. You've got all of the money. Now they are coming to me, and the poor little thing down there in Arkansas cannot get any money.

Senator CAPEHART. They did not get all the money.

The CHAIRMAN. They did not?

Senator CAPEHART. Not the 2 percent. I have no objection to the building of the plants, but I certainly had objections to borrowing the money at 2 percent. Those are the things we ought to do here in Congress, in my opinion, which is to help the private enterprise system. There are a number of them to go on like that. I think we are heading toward a socialistic world. Maybe it is better, I don't know.

The CHAIRMAN. Homer, if it is inevitable then we will just have to adapt the best we can.

Senator CAPEHART. We can still fight it.

Senator AIKEN. It started when the first caveman got a couple of others to help him roll a big rock.

FOREIGN AID BILL CANNOT SOLVE ALL PROBLEMS

The CHAIRMAN. All I hope, Homer, is let us solve some of these in domestic legislation. This poor bill has enough burdens to carry without solving all our problems.

Senator AIKEN. I agree. There is too much preamble there and we could argue for a month on it.

The CHAIRMAN. I would like for you or Newhouse to turn your hand at this to see if you can come up with about a half a page policy.

Senator CAPEHART. Let me write it.

The CHAIRMAN. All right, you try one, too. We will have you both try one and see what you can do.

Senator CAPEHART. Mine would only be about three sentences.

The CHAIRMAN. Of a generalized nature and see if we can have a very short one which is without the implications, particularly those others that I want to take out.

Mr. MARCY. Sure.

The CHAIRMAN. About half a page, a very simple thing.

Senator **Aiken**. I would simply say the purpose of the bill is to promote the political, economic and military security of the United States and leave out all the rest.

Senator **Capehart**. I might settle for that.

Senator **Aiken**. Because that, after all, is what it should be.

The **Chairman**. Close the record at this time.

[Whereupon, at 12:20 p.m., the committee adjourned, to reconvene Tuesday, June 27, at 10:30 a.m.]

INTERNATIONAL DEVELOPMENT AND SECURITY

TUESDAY, JUNE 27, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to adjournment, at 10:30 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Mansfield, Gore, Church, Symington, Hickenlooper, Aiken, Capehart, and Carlson.

Also present: Mr. Marcy, Mr. Holt, Mr. Denney, Mr. Henderson, and Mr. Newhouse of the committee staff.

[This transcript was published in 1961 with deletions made for reasons of national security. The most significant deletions are printed below, with some material reprinted to place the remarks in context. Page numbers, in brackets, are to the previously published text.]

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STATEMENT OF HON. ADLAI E. STEVENSON, AMBASSADOR TO THE UNITED NATIONS; ACCOMPANIED BY LINCOLN GORDON, MEMBER, TASK FORCE ON LATIN AMERICA; AND WYMBERLY COERR, ACTING ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS

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VENEZUELA [P. 1094]

Venezuela is still in a state of seige with continuing fear of a right wing coup, although there are heartening indications that conservative elements in the business community, the financial community, and the army are now recognizing the importance of supporting democratic institutions, and that President [Romulo] Betancourt should finish his term in an established constitutional democracy, they hope.

The alternative, they appreciate, is further loss in confidence, and economic stagnation. Rising left wing violence in the Caracas slums remains acute.

President Betancourt is trying to push ahead on sound lines, including the restoration of business confidence, as well as economic and social reform.

I might say here that I was visited, somewhat confidentially, by the Chief of the Air Force, who told me that the army and the services could overthrow the President if they wished, and that while they have not agreed with all of his program, and had attempted to take such measures, they had concluded, the senior officers had met and concluded, they were not going to interfere, and to permit him to finish his term.

I was similarly visited by leaders of the business community who, some of them, within the last few months, had signed a manifesto calling for his resignation, and they said they, too, had now reconsidered the whole business, and he concluded, that it was in the long term interest of Venezuela if they did not exercise the power that they had.

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BRAZIL [P. 1095]

President [Janio] Quadros has suffered some loss in popularity since the start of his administration because of his firm austerity measures to stop the rampant inflation, and the financial disorder that he inherited, and also through his habit of governing isolation.

He received us alone, without even an interpreter, and this is his constant practice, although he has rceived no Western diplomat for some time, and has been accessible, however, to representatives of the Iron Curtain.

His greeting of us could not have been more cordial. We talked with him, I guess, going on 3 hours, and this seemed to cause considerable dismay among the diplomatic missions in the country because, as I say, he had not been attentive to Western diplomats for a long time.

Communist agitation in the Brazilian northeast is increasingly vigorous and dangerous, as you know. The President's attitude on Cuba, and his diplomatic flirtations with the Soviet bloc, derives partly from a desire to establish Brazil's political independence of the United States, and is reinforced by his fear of alienating large and influential domestic groups who have an underlying sympathy for the Cuban revolution, not necessarily Communist groups, but groups that are sympathetic with the revolution. I can add that he is in the process, and has made a considerable amount of progress, in eliminating Communist elements in the army and in the labor movement.

The vigor with which he put down the disorders, the Communist-inspired disorders, in the northeastern part of Brazil, all of these things, Mr. Chairman, indicate that he is rapidly pulling the rug out from under the Communist elements in the country, and this will result probably in a head-on collision by the end of this year which would, in which the sharpness of his break will, become more publicly apparent then it is now.

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CHILE AND BOLIVIA [P. 1095]

In Chile, it continues to enjoy the broad traditional devotion to democratic institutions of its past. The relative success of President

Alessandri in controlling inflation has reduced one serious source of social discontent, but other sources remain in the continuing economic stagnation, and the need for positive action on land reform.

A dangerous sign was the swing of peasant votes this spring to the extreme left for the first time. At the same time the moderate radical party, was getting support in the towns.

This is a curious phenomenon noted by everyone, that after 150 years of conservatism in the country, that in 1 year they have gone radical, and the cities have reversed the process.

The CHAIRMAN. Which country is that?

Mr. STEVENSON. Chile.

Bolivia represents by far, the most explosive situation in South America. President [Victor Paz] Estenssoro is maintaining his authority by an almost invisible threat.

The President of Lechin, the miners' leader, has been unwilling so far to stand up against the Communist mine workers and the student leaders.

A basic crisis of governmental authority is now being played out in Bolivia, with the little army supporting the President, but with real uncertainty as to whether he can dominate the situation and disarm the private armies of miners and peasants, and provide enough stability so that the long awaited and quite feasible economic development can go forward. I think, perhaps, you will want to revert to Bolivia later, and I will proceed.

PERU

In Peru, political circles are occupied with respect to the 1962 presidential election. While the present regime of President Prado and Mr. Beltran [1] is not very strong, there is not yet a clear certainty that their coalition, the moderate, conservative and anti-Communist elements and the left wing parties can agree upon a candidate in the next election.

The present anti-Communist front runner appears to be Belounde, a vigorous and attractive campaigner, who is occupied with very large plans for internal development, but he evades any discussion of foreign policy. He says, for example, that he knows something about Peru, but nothing about Cuba, and thus avoids the controversy on foreign policy.

While the government is trying to make some social improvements in housing and in land settlement, there is no real attack as yet on more fundamental tax and land reform, although the government recognizes the necessity for it.

Here, too, therefore, the present relative calm, except in the universities, probably conceals explosive undercurrents. But we and Western ideals have, as you know, no firmer friend than the present Government of Peru.

ECUADOR

In Ecuador, a very good governmental group, is headed by President [Jose] Velasco, a vain and quaint man, who seems confident that there is no Communist problem in his country, and if there is he can deal with it by the force of his peaceful philosophy and his personal popularity.

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[1] Peruvian President Manuel Prado y Ugarteche, and Premier Pedro G. Beltran.

The student leadership has recently been captured from the Communists for the first time in 16 years, and the program of the government to improve domestic conditions is good and timely, in view of the sad disorder that has befallen the country's finances and economy in the 9 months of President Ibarra's, Velasco Ibarra's tenure.

COMMUNIST-CASTRO INFLUENCE IN SOUTH AMERICA

So much for the countries one by one. Let me talk for a moment about Communist-Castro influence in South America. Communist penetration and subversion have clearly increased in vigor and in effectiveness since I traveled through all of these countries something over 1 year ago.

This is especially marked among four groups, university students, professors, school teachers, labor unions, urban slum dwellers, especially where there is severe unemployment and hitherto unorganized rural areas.

Outstanding examples of that, of course, are Northeastern Brazil and Chile, Colombia and Ecuador.

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QUESTION OF NEGOTIATING WITH CUBA [P. 1097]

Senator AIKEN. It is reported, Mr. Ambassador, in an interview yesterday you stated that President Kennedy was ready to negotiate with Castro any time, and if he would send an emissary up here or if he would permit us to reestablish our embassy in Havana. Are there any movements underfoot for negotiation between the Governments of the United States and Cuba?

Mr. STEVENSON. No. On the contrary, I do not know where that story got about. I have not seen it because I said repeatedly in that speech yesterday that on the problems we encountered in South America, one was that many countries thought of Cuba as a bilateral problem for the United States, and that we had been at pains to explain to them it was not a bilateral problem, but a multilateral problem and that actually it concerned South America more than it did us.

Senator AIKEN. I do not think you made this statement in your address to the Press Club. I think it was in an interview with the Metropolitan Broadcasting after the speech.

Mr. STEVENSON. I had no such interview.

There is no—indeed, I think my speech is replete with statements of the reverse.

Senator AIKEN. I see. Then President Kennedy is not willing to negotiate with Castro?

Mr. STEVENSON. I do not know whether he is or not. I never have discussed that with him. I think it would be a mistake to enter into bilateral negotiations.

Many Latin American countries would like to do that. In Brazil and Argentina especially they have thought of it as a bilateral problem, and have proposed mediation between the United States and Cuba.

Senator AIKEN. I though it was important to clear that up.

Mr. STEVENSON. Yes.

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ACTION NEEDED TO PROMOTE DEMOCRACTIC CAUSE IN INTELLECTUAL CIRCLES [P. 1098]

A far more affirmative attack on the problem of urban slum conditions and of rural insecurity is also evidently needed if these large groups, no longer politically passive as in the past, are to see some hope in life under free institutions.

In connection with the misunderstanding of the true character of current developments in Cuba, I believe that excellent use could be made of students and professional intellectuals among the Cuban exiles, especially those who fought with Castro in his early days, to speak and to write and to circulate among their counterparts throughout the hemisphere.

Their testimony would have a credibility which no North American can achieve under present circumstances.

SUPPORT FOR ALLIANCE FOR PROGRESS

We encountered a unanimous and intense interest in the Alliance for Progress. The President's speech on March 13 was described as having created a profound impression in Latin America, certainly the most favorable since the announcement of the good neighbor policy.

OBJECTIVES OF URUGUAY MEETING

Without exception, governments emphasized the critical importance of making the Uruguay meeting of the Inter-American Economic and Social Council a success and not merely another in the long-line of Inter-American meetings.

On the other hand, there was no clear or uniform definition of what would constitute success. There was a wide variety in the concept of the meeting's objectives and procedures, and great disparity in the intensity and character of national preparations for the meeting.

A few governments, notably Peru, appeared to believe that the meeting would be the occasion for the cutting of an aid melon, with little regard to self-help measures or structural reforms in such fields as land tenure and taxation.

But all countries paid at least lip service to the concept of self-help, and several were in deadly earnest on this front.

In terms of technical work on long-term programing for national economic and social development, Colombia, Chile, Brazil and, perhaps, Venezuela seemed to be well in advance of their sister nations.

Several others handed us shopping lists of public investment projects on which they looked for loans or other aid.

Argentina and Chile emphasized the importance of industrial development as contrasted with social investment.

Many governments advanced claims for special consideration on political or other grounds.

We noticed, I noticed, the emergence of an attitude I had not fully appreciated there a year ago, of great power priority feeling that Brazil and Argentina together could dispose of the destinies of the continent, with the United States, and perhaps, we ought to work it out among us at the sacrifice of the American system.

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IMPORTANCE OF COLLECTIVE APPROACH TO COMMUNIST THREAT

[P. 1100]

Our mission demonstrated the vital importance of re-creating confidence in a collective approach to the problem of Communist subversion and indirect aggression if the American system is to have any hope of surviving.

The abortive Cuban invasion attempt of mid-April, coupled with subsequent disclosure and controversy on the extent of our support of the invasion, did not enhance Latin American opinion about the United States, because non-intervention is still a cardinal article of faith in Latin America, and I suspect there is a great deal of unspoken disappointment that the invasion failed. But even in those cases, I suspect that most of them would have denounced us publicly, all the same.

On this point, President Quadros of Brazil represented a rather general official feeling in describing the April attempt as disastrous, and any further unilateral intervention as fatal, was his word, to Latin American support for and full cooperation with the United States.

Outside of Peru and Paraguay, only a few private citizens and one or two political leaders suggested that they would privately welcome unilateral United States military action against Castro, and even in these cases they would have to condemn such action publicly.

In some countries, notably Brazil, Argentina and Uruguay, there has been a tendency to regard—this is a problem you mentioned, a question you mentioned a moment ago, Senator Aiken—to regard the Cuban problem as essentially a bilateral quarrel between Cuba and the United States which might be negotiable if we relaxed our hostility and permitted the larger American states to act as mediators.

I believe that I convinced the presidents and governments concerned that the problem is not a bilateral one, that such issues between us as compensation for expropriated properties, could be negotiated if other circumstances were favorable, and that the real part of the concern is the establishment of a beachhead for Communist penetration and subversion throughout the hemisphere.

It follows that the issue is one of concern to all of the American republics affecting Latin America far more than the United States, because it is the Latin American countries which are vulnerable, and actually the object of indirect aggression today. It is they, therefore, who should be primarily concerned with action to deal with this problem.

The only country in which the strength of these arguments was not acknowledged at all was Ecuador where President [Camilo Ponce] Enriquez seems impervious to rational discussion of his problems.

Even where the governments were most sympathetic to our point of view, as in the case of Colombia, Venezuela and Chile, it was generally and strongly felt that no collective action should be officially considered until the economic conference was concluded and had demonstrated its success as a major step toward economic and social development.

This conclusion was based partly on the need to obliterate the memory of the April invasion effort, and also on the need to show to dissident left-wing elements in their countries that there is a real promise of economic and social progress under genuinely democratic regimes working in cooperation with the United States.

As to possible collective action after the Uruguay conference the most promising prospect appears to rest in the initiative of President Lleras Camargo of Colombia for convening a meeting of foreign ministers, acting as an organ of consultation under the terms of the Rio Pact.

This meeting would occur fairly soon after the economic conference, he thinks, and would undertake two tasks: first, a broadening of the definition of aggression to include indirect aggressions through penetration and subversion; and, second, a challenge to Cuba to rejoin the American community by disassociating itself from the Communist bloc, and renouncing other actions incompatible with the principles of the OAS.

Rejection of this challenge would be followed, after a suitable interval, by a further meeting to consider diplomatic and economic sanctions designed to isolate Cuba, to reduce the dangers of Communist activity in other countries, using Cuba as a base, and to bring economic and psychological pressure to bear on the Cuban regime.

CONDITIONS ON WHICH COLLECTIVE ACTION WOULD DEPEND

Any collective action, however, as I say, has in all cases to be dependent, they feel, on an improvement in the climate of opinion, of economic opinion, and some hopes, as they put it, among the people, and any action can be meaningful also only if it is supported by two of the three largest Latin American nations, Argentina, Brazil and Mexico.

This point was agreed by all concerned, regardless of whether the legally necessary 14 votes could be secured, without including any or more than one of these three countries.

I think, gentlemen, that concludes what I had to say in my statement that I prepared, and if you care to ask us some questions we will be very happy to answer them.

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IMPOSING CONDITIONS FOR ECONOMIC ASSISTANCE [P. 1101]

The **Chairman**. One statement, Mr. Ambassador, in the morning Post says this, quoting yesterday from your statement:

Stevenson cautioned, however, against efforts by the United States to "impose conditions for economic assistance on countries, saying this was quite wrong."

Is that a correct statement?

Mr. **Stevenson**. I think I said something of that kind; yes. It would be very difficult for us to say to the countries any aid, any assistance to them was conditioned upon doing thus and so in advance.

The **Chairman**. This is contrary, as I understand, to the whole idea of the Bogota conference at which is was agreed that assistance granted would be clearly dependent on very special and specific undertakings for self-help.

Mr. **Stevenson**. Well, I think this is another matter. As to what aid we give countries which have not done any of the structural reforms, maybe domestic reforms that we think are essential to support the aid, is another matter.

I should think that we, in determining what was done, not only we, but the agencies involved, like the Inter-American Development Bank, would have to take into account the condition of performance by the country, but this is quite a different thing from saying as a condition of giving any aid "you must do thus and so."

The **Chairman**. I do not follow that. It seems to me that if a country is not willing to make firm commitments for the undertaking of specific reforms—as in the field of taxation, land reform, rural development—that we say we are not interested.

This would leave the impression that we are going to write a check and say, "you do with it any way you like, just God be with you," and that is not what I understood this whole new approach is.

Mr. **Stevenson**. I say again that I think it would be very—I would be very hesitant to try to dictate to them to tell them they have to do thus and so or else.

I think the best hope of getting them to cooperate and to do the kind of things all of them have acknowledged they should, is by encouragement and by methods somewhat less rigorous than you suggest.

Do you want to say anything about this?

Mr. **Gordon**. Yes. I think this is probably a semantic problem. I think the substance of what Senator Fulbright says is right, that is, the philosophy of this is that aid is given in relation to self-help.

I think the way in which that philosophy is carried out has to be handled very carefully in order to avoid setting up counterproductive forces within the countries, especially within some of the reluctant legislatures, so that arguments can be used that the United States is unilaterally dictating conditions.

The hope is that by getting through this multilateral discussion, countries themselves to take the initiative in these measures, making it clear that, in fact, the aid will be forthcoming in response to those actions, and will not, in the absence of them, that we really get the self-help measures.

The **Chairman**. I am not advocating bad manners in the way it is presented. Of course, I would assume it was done in a reasonably polite manner. But I think there should be no misunderstanding, at least from my point of view, because I frankly have the very slightest amount of confidence in the capacity of most of these governments, unless we give them guidance, unless we insist on it. If I thought this was just going to be handing checks to do as they please, I would not be for it, and I understood that from the beginning, that this was one of the principal new elements in this program; that we were going to insist upon assistance being used for certain purposes, purposes agreed upon as being essential.

There is a difference of emphasis within a country. Sometimes countries are inclined to want to have the showy things that enhance the prestige of the current administration for the next election, and these things have little relation to the development of the basic institutions.

QUESTION OF OVEREMPHASIZING MILITARY AID [P. 1103]

There are two or three very specific factors that concerns us in the consideration of foreign aid. This question of self-help is one; the other one is military.

And what you said about your meeting with the military in Brazil, and others, it would seem they really are the dominant element in many of these countries.

We have opposed military aid in this area for fear of increasing the influence of the military, of causing an arms race and other consequences.

The dilemma is that these are already the important people, and we do not conciliate them, that they go just off on their own, and they control the country.

Do you believe it is true they control Brazil, for example, in that they could throw out this government tomorrow if they decided to?

Mr. **Stevenson**. No. There is a little confusion. I think I was referring to Venezuela where I was visited by the head of the armed forces.

The **Chairman**. I thought you said Brazil.

Mr. **Stevenson**. No, Venezuela. I do not think they do in Brazil, control the country at all. In some countries, in Argentina, the armed forces probably exercise a very considerable influence.

My own impression, having written and talked extensively about the excessive burden of armaments in the budgets of most Latin American countries, and I still feel that, is that much of their expenditures are unnecessary in some countries, at least, for example, cruisers in Chile and in Peru.

The **Chairman**. We felt that sort of thing.

Mr. **Stevenson**. That they should not spend their money that way, and where social conditions are so bad they need internal development so badly.

However, the problem of internal security is now getting more and more acute, what with the agitation mounting all the time, and many of these army elements appear to be conservative and responsible now, and in that respect, useful for the maintenance of stability in the regime.

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USE OF ARMY FOR ENGINEERING PROJECTS [P. 1103]

The CHAIRMAN. Would it be fair to say that you believe that a reasonable amount of aid, possibly with the emphasis upon training, would be warranted and proper?

Mr. STEVENSON. Yes.

The CHAIRMAN. This is not the first time that I have had very grave doubts about the capacity of many of these countries to develop what we call a democratic system. Perhaps the army might be more constructive than some politicians for the immediate future. If that is so, perhaps—and I have been one—we have been wrong in trying to go too far in deemphasizing the military. Would it be fair to say that?

Mr. STEVENSON. I do not think you have been wrong. I do not know just what you have said, Senator, but that was my own feeling, that many of these countries have a military budget which far exceeds the budget for education, which is entirely wrong in countries where 50 percent of the people are illiterate, and where there is economic underdevelopment, and they have in the past, as I say, been the darlings of the dictators, witness the officers club in Venezuela, which is one of the most shocking sights in the world, I think, in contrast to the squalor of the conditions of life of one-third of the citizens in that city, and you will find examples of that in the past. I think, on the whole, the armed forces have now somewhat improved and are much more responsive to the country's welfare than they have been in the past, and this is especially true in countries like Argentina.

CONCENTRATION OF AID

The CHAIRMAN. You mentioned that the real hope is that Argentina and Brazil and the United States must be the core for the development and control or guidance of Latin America.

Would this lead to the conclusion that instead of just spreading our aid thinly all over the continent that we should be more selective and concentrate it more in Brazil and Argentina in the hope that if they are made strong, they, in turn, would become the leaders and guide?

Mr. STEVENSON. This is their proposal.

The CHAIRMAN. What do you think about it?

Mr. STEVENSON. They advance it not only with respect to aid but with respect to a political dispensation of the continent, as well.

I have a feeling that in both of these two countries there is a good deal of disrespect for the Organization of American States.

There is a big power complex, and with the little fellows, "we will worry about them some other time, let us take care of ourselves first, and all three of us." They are very keen for a summit meeting between the President of the United States and the presidents of these two countries, possibly including Alessandri of Chile.

I think this would be deeply resented by all of the smaller countries if it got out that there was some disposition to behave this way, and it would probably be a serious and severe blow to the American system and the OAS.

As to aid itself, whether it should be concentrated in a few large countries on the theory that if they fall or go Communist that the rest of the hemisphere will fall, the rest of the continent will fall, I think there is something to be said for making the aid effective by concentration.

I think, however, it would be extremely difficult to do that in Latin America at this time without provoking so much indignation on the part of the other countries that you would begin to impair the very thing you are trying to save, which is the OAS.

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PARTICULAR PROBLEM OF COFFEE [P. 1105]

Mr. STEVENSON. If I can add another word, the situation really on coffee is precarious and serious in extreme not only with respect to 14 countries in Latin America, which countries are largely dependent upon coffee, but with the Brazilian carry over of something over a year's supply, that if Brazil ever ran amok on coffee, it would really devastate the economies of half the Inter-American family.

Senator HUMPHREY. Is it not true that a substantial amount of economic assistance has already been granted to Brazil in the last few months, both by the World Bank, the United States, I gather other sources.

Mr. GORDON. That is right, Senator. Most of this was essentially a refunding of an external debt, which was terribly concentrated in the next 2 or 3 years, and this has now been stretched out. There have also been some fresh loans.

Senator HUMPHREY. Wouldn't that be jeopardized by a sudden drop in commodity prices in Brazil?

Mr. GORDON. Oh, you could wipe out the effect of that easily with a few cents fall in the price of coffee.

Senator HUMPHREY. I just wanted to emphasize what the chairman emphasized. It seems to me this is of priority importance and I do not know who is working on it, but it should certainly be given a great deal of time and thought.

Mr. GORDON. Right.

Mr. STEVENSON. The volume of copper and minerals, of course, is almost always more difficult because the market is such an extensive one, and the production areas are so many. I do not think very much has been done on that and, actually, it is not quite as aggravating because it is limited to Peru and Chile.

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PROBLEM OF CUBAN EXILES [P. 1107]

Senator HUMPHREY. My final question is on this problem of the Cuban exiles. I have been concerned about this. I have had some letters from people in Latin America which say that possibly these students—the intellectuals, anti-Batista people, who were pro-Castro revolutionaries in the beginning, and who are now disillusioned and disenchanted with the Castro revolution—could be exceedingly helpful.

Is there a way that this can be done so that it does not appear on the surface, at least obviously, that we are financing the whole operation, and they have lost their sort of purity by becoming helpful to us?

Mr. **Stevenson**. Well, sir, this is a recommendation of mine that I mentioned here a moment ago, that we should do this.

How to do it I am not so clear about. There is, of course, [deleted] to underwrite the cost of some of these people traveling around there which would, we believe, be very effective counter-Cuban work. Other means of doing it, I think, we could do a good deal in the way of university exchanges, if we were to collect the intellectuals out of this group, and there are a number of universities that would be receptive to transactions of that kind. But there will be the money problem in every case.

Mr. **Gordon**. Could Mr. Coerr say a word about this?

Mr. **Coerr**. I would like to say there has been some of this done already, sir, [deleted].

Senator **Humphrey**. My feeling is, and this is a poor analogy, that there is no use giving a patient 25,000 units of penicillin if he needs more. If you are going to treat him you had better give him a million units. He might get some effect.

In other words, what I am saying is whatever we do in this area, it seems to me, enough of it ought to be done to make the impact even though I know that it is not easy.

GENERAL REACTION TO TRIP

Mr. Ambassador, it seems to me you are a bit pessimistic. How would you interpret your general reaction and your mood after you came back from this trip?

Mr. **Stevenson**. I would say on the economic count I am optimistic.

Senator **Humphrey**. What do you mean by that?

Mr. **Stevenson**. That the Latin American countries have crossed a great watershed, every one of them, although their societies are feudal and as old as Pizarro, they have reached the conclusion that they have to translate economic improvement into social, and social reform into something demonstrable for the benefit of the people as a whole, and at once and, moreover, there are, of course, the difficulties of doing these reforms overnight in old societies where they have practices and habits that are so old; but there is a determination to do it that is almost universal, especially where it is most important.

I think notably Brazil, Chile, Peru, where they talk a great deal about it, I must say, but they have not done anything about it. That is one of the most difficult ones, Peru, one of the most rigid societies.

At all events, let me say on the preparation of the economic plan, there is good progress, and the first progress that has ever been made in Latin America, the total economic plan, for individual countries.

Second, that on the preparation of these countries for making aid effective by social reform, progress has started.

Now, when it comes to the political side and cooperation within the inter-American system to isolate Cuba, my attitude is less optimistic.

Here we have a curious situation that I am sure is familiar to all of you, that virtually all of the people of Latin America, the people of Latin America think of Cuba as a social revolution long overdue, and something that they all applaud.

It is only a sophisticated few, fortunately including the leaders of government, who think of Cuba as betrayed to communism.

The gulf of understanding between the mass of people and the few is very great, and until you get the mass of the people understanding this thing, it is going to be very difficult to get any collective action, in my judgment.

Senator HUMPHREY. I am through, Mr. Chairman.

The CHAIRMAN. The Senator from Iowa.

Senator HUMPHREY. Thank you, Mr. Ambassador.

PROBLEM OF FLIGHT OF CAPITAL AND ITS PREVENTION

Senator HICKENLOOPER. Mr. Ambassador, what did you find out about the purpose of the leadership in these various countries so far as realistic tax systems and the flight of capital and its prevention is concerned?

Mr. GORDON. Yes. With respect to capital flight, we found a rather spotty picture. There has been quite a lot from Venezuela, as you know, in the last year or so; a fair amount from Ecuador during the first few months of this Velasco regime.

In some of the countries where financial stabilization programs have been going on and have been reasonably effective for several years, notably Chile and Argentina, Colombia, there has been a lot of repatriation of capital, and our impression was that this is the right kind of course to follow.

Even in Ecuador they seemed just to be beginning to come back.

Bolivia, of course, is an exceedingly difficult situation, with the politicial turmoil being what it is. There is a tendency for anybody who gets hold of some money to try to get it out as rapidly as he can, and clearly some sense of political security will be required there before you can expect much capital to come back.

PROGRESS IN TAX REFORM

With respect to taxes, the situation varies. The Venezuelans and Colombians have already done a good deal. The Brazilians are moving. Argentina has done something, and Chile has done something.

In Peru there is a very stubborn legislation which has not been disposed so far to move in that direction, and it now looks as if not much will happen on that front until after the presidential election next year. They are just plunged in the midst of a very active presidential campaign which will last for the next 11 months.

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PEOPLE'S ATTITUDE TOWARD CASTRO AND EXPROPRIATION OF PROPERTY

[P. 1110]

Mr STEVENSON. As to your other question, if I understood it, about Castro and the Cuban revolution and expropriation of American property, here we heard very little by way of condoning the expropriation of property in these countries, in fact, I heard nothing.

I heard, on the other hand, a great deal of criticism of the behavior of the Cuban Government. But this is always by the sophisticated people.

Senator HICKENLOOPER. Yes.

Mr. STEVENSON. The mass of the people, I am afraid, like the whole idea. I should not say that, I am afraid that is an extravagant way to put it. They liked the whole idea, but at least they are not very well-informed on the fact that expropriation has been without compensation.

PROGRESS OF BRAZILIAN ATTEMPTS TO REDUCE GOVERNMENT EMPLOYMENT

Senator HICKENLOOPER. What did you find about the progress in Brazil of Mr. Quadros' attempt to bring the excess government employment down to a realistic level?

Mr. STEVENSON. Well, before we mention him, let me say that in Argentina I was very much impressed with what Frondizi[2] has done. He has fired 75,000 railroad workers, and it is going to be space-phased, and the problem of reemployment, finding new jobs for them, is a very serious problem, but they are grappling with their appalling budget deficit in the operation of their state railroads vigorously now for the first time.

In Brazil I am a little less confident there; aren't you, Linc?

Mr. GORDON. Yes. I do not know just what headway has been made. We did not discuss this very much in Brazil.

If I may make one minor correction, I think the plan is to remove 75,000 railway workers from the Argentine railroads. I do not think they are yet fired. This is a plan which is just beginning to be put into operation by a very energetic new minister of transport who does seem finally prepared to come to grips with this. But I think this is still in motion.

Mr. STEVENSON. Yes.

Mr. GORDON. Rather than an accomplished fact.

On the Brazilian domestic reforms, a lot of headway has been made in the foreign exchange reform and in trying to get some of these inflationary pressures squeezed out, and also in tackling a lot of the corruption which was allowed to grow up in the last 2 or 3 years of the Kubichek administration, but where they stand on the precise question of over employment in the government I do not know.

They have instituted an 8-hour day for the first time, over the protest of a lot of the government workers, and this apparently is being enforced and being maintained and, as a by-product of that, no new hiring is taking place.

All of the people who were hired after, I think it was, either September 1st or October 1st were fired. That still leaves a big surplus, and what is being done about those I just do not know.

Senator HICKENLOOPER. The program is to continue on. They fired all the people who have been put on the payroll after a certain date, but they were going to continue on with the elimination of a lot of excess workers.

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[2] Argentine President Arturo Frondizi.

Mr. Gordon. That is my understanding, too. We just did not have time really to get into this question.

Senator Hickenlooper. What do you think about the ethnic situation there in certain countries, especially on the West Coast or North Coast of Latin America, Mr. Ambassador, the fact that there are so few of European origin and so many of Indian extraction, and the gulf or the gap between their social concepts and their economic concepts is so great?

Mr. Stevenson. The Indian problem——

Senator Hickenlooper. How is that problem going to be amalgamated or how are those differences going to be resolved?

Mr. Stevenson. It is going to be painful and slow. Of course, what most of the statesmen think about in Bolivia, Peru, Ecuador, Colombia and the areas where there is the Andean Indian, Quechuan Indian, they represent more than half of the population, and they live in terror of the possibility that these Indians would become, will start to all move in one direction, and obviously in the direction of violence and communism.

Therefore, they have all been very anxious to do something about the Indian, getting him resettled on adequate land and accommodate some of his social needs, to get him integrated into the economy. For the most part, they are outside of the economy now, as you know. They do not speak Spanish, and they do not use money, and their basic education is an essential part of that program everywhere.

I cannot even hope to prophesy as to whether or not this can be done without violence.

Beltran told me a while ago he thought it would be 5 years before, as he put it, the Andes started to burn. They are trying to do something to improve the conditions of these people. It is an awful task.

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PETROLEUM DEVELOPMENT IN ARGENTINA AND BRAZIL [P. 1112]

Senator Hickenlooper. What did you find out about the effect upon the general attitude of the people or the government in Argentina regarding the development of resources by private and outside capital?

Mr. Stevenson. Well, I would say that it has been very proper in Argentina. The oil petroleum law actually has cut their foreign exchange requirements for the importation of oil almost down to zero from $350 million, which is roughly what it was 5 years ago.

As to private capital, they are very flexible, as you know, in Argentina. They make deals or have made deals of all kinds with private capital for exploitation, deals that have proved to be very satisfactory from our point of view. We have done most of them. I guess the Germans and the French have done some.

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Senator Hickenlooper. It will be close to self-sufficiency. Their success and their feeling of gratification or satisfaction may spill over into other countries and have some influence on their attitudes toward development capital and know-how.

Mr. Stevenson. As to the overflow of the idea, I do not know. The oil resources of the Continent are so limited to a few areas, but I do think it is overflowing. You take Alesandri [3] in Chile, he is more conservative than the IMF,[4] and has gone to even greater extremities than any international agency has imposed on him, to insure the position of private capital in a country. It may be overdone.

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ACTIONS OF PRESIDENT QUADROS TOWARD WESTERN DIPLOMATS

[P. 1115]

Senator Gore. I wondered what your explanation was of the fact which you related to us that President Quadros has been completely unavailable to Western diplomats yet available to Iron Curtain diplomats.

Mr. Stevenson. I said that I thought that his curious behavior was compounded of several elements. One was an effort to declare his independence from the United States, that he was going to make it pretty clear that Brazil was a big, mature country now, and was not tied to our—not the tail to our kite.

This is a form of satisfaction of the nationalist urge that you find in all these countries. It is conspicuous in Brazil.

The second reason, a second reason, for it is conciliation of anti-American elements within the country.

A third reason for it is that he started off, I think this is very interesting to the committee or should be, he started off evidently determined to, at least I say determined, he started off with the idea that he would explore the possibility of Brazil's going neutralist, and he made several gestures in this direction because Frondizi told me that he had, when they had had this highly publicized meeting, publicized in Latin America, on the Uruguayan frontier, just the two of them, that he and Quadros, had tried to persuade Frondizi to join him in a neutralist position, to pull away from the United States and establish a neutral bloc in the Western Hemisphere, and he had persuaded Quadros that this was impossible, and that he had to forego any such idea unequivocally and promptly.

Senator Gore. Do you think he is——

Mr. Stevenson. I think, Senator, that on the basis of our conversation he has given up any such idea. This was another reason for his curious behavior.

Senator Gore. Do you have the impression that he may now or soon or sometime in the near future be available to Western diplomats on a basis equal to his availability to the Iron Curtain ambassadors?

Mr. Stevenson. I think so. He was getting credits from some of the Iron Curtain countries. He has a personal emissary named Dantos who was traveling in Europe at the time, calling on Czechoslovakia, Poland and so on. This may have had something to do with his availability.

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[3] Jorge Alesandri, President of Chile.

[4] International Monetary Fund.

He is also a very eccentric man, as we know. He receives you without any staff. He never has anybody who can hear what he says when he talks with a foreigner. He does not even have an interpreter, no record made of what discussion he has with an emissary of a foreign government.

Mr. GORDON. On this point, Governor, I was told by some Brazilians here that he apparently dictated a memorandum himself right after our conversation, which has been sent to the Brazilian Embassy here. How it compares with our own record of the conversation, of course, we do not know. We have not seen it. But he apparently did that.

This question of the Iron Curtain diplomat should not be misunderstood. There are no diplomatic missions either of the Soviet Union or of the various satellite countries in Brazil. There is no diplomatic recognition at the present time.

I think the chances are that they will recognize the Soviet Union in the next few months. There have been a lot of indications of that, and their line on that is they are a big grown up country. The United States recognizes the Soviet Union, all the leading Western European countries do; why shouldn't they. That is the sort of view they express.

Senator GORE. We did not discourage that, did we?

Mr. GORDON. No, no, we have not taken a position at all.

The people whom Quadros has received have been various types of visting emissaries, trade missions and things of this kind.

With respect to Western diplomats, he has seen them generally only when they have some unusual visitor. He saw the German Ambassador, for example, West German Ambassador, for the first time when there were two distinguished members of the German Parliament who were there.

He has not seen the German Ambassador alone.

He has seen our own Ambassador only when someone from the United States, Mr. [George] McGovern on the Food for Peace Mission, Mr. [Adolf A.] Berle, when he went down there; there was a third visitor before our own mission. Our Ambassador was not there. He is on vacation at the moment, but the Chargé d'Affaires was with us when we saw the President at this time.

Senator HICKENLOOPER. He saw Secretary Dillon.

Mr. GORDON. Dillon, of course, that is right.

Senator HICKENLOOPER. After keeping him waiting for quite a while.

Mr. STEVENSON. That is right.

DISRESPECT FOR THE ORGANIZATION OF AMERICAN STATES

Senator GORE. I have a question. I understood you to say that you found some rather widespread disrespect for the Organization of American States.

Mr. STEVENSON. Only in two countries, Brazil and Argentina.

Senator GORE. Well, they are the two big ones. The other big one has not voted with us in the past 3 years in the United Nations.

Mr. **Stevenson**. Mexico. But that is not true in any of the others; that is not true in Chile, where there is great respect for the Organization.

Senator **Gore**. Now, this is discouraging because—I do not mean it is discouraging for you—I do not mean to characterize your report other than in favorable terms, but it is discouraging to learn that the two big powers, largest powers, that you visited have disrespect for the OAS.

Mr. **Stevenson**. It was discouraging to me, and also surprising. I had not anticipated it, and I did not get it when I was there a year ago in talking with these same fellows, not Quadros, but talking to Frondizi. I spent hours talking with Frondizi a year and a half ago, and he never said anything like that.

Senator **Gore**. This does not provide grounds for optimism for action by the OAS, does it?

Mr. **Stevenson**. That is why I said a moment ago when I think Senator Humphrey asked me the question, I said that I was optimistic on the economic side.

Senator **Gore**. Yes.

Mr. **Stevenson**. Less so on the political side.

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NEUTRALISM IN LATIN AMERICA [P. 1125]

Senator **Sparkman**. I have felt for a long time that this idea of nations growing up to the extent that they ought to be able to chart their own course has been spreading throughout the world. It started with India and in Indonesia and Burma. Perhaps they were the three first. I think many nations have been growing in that spirit since that time; don't you?

Mr. **Stevenson**. I think we have to take into account, too, Senator, that Brazil is destined to be one of the great countries of the world, one of the great countries of the world, let me repeat, and they know it, and they are now asserting it by these means of a declaration of independence, if you please, from America's coat tails.

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[Whereupon, at 12:45 p.m., the committee adjourned, to reconvene Wednesday, June 29, 1961, at 10:30 a.m.]

MINUTES

WEDNESDAY, JUNE 28, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:45 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Gore, Symington, Wiley, Hickenlooper, Aiken, and Capehart.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[At the conclusion of its discussions, the committee adjourned at 12:05 p.m.]

INTERNATIONAL DEVELOPMENT AND SECURITY

THURSDAY, JULY 6, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to recess, at 10:30 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright and Senators Sparkman, Morse, Lausche, Symington, Wiley, Aiken, Carlson, and Williams.

Also present: Senator Bush of Connecticut.

Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse of the committee staff.

The CHAIRMAN. The principal purpose of the Secretary's appearance this morning is to comment on the foreign aid bill.

You will recall that his last appearance was on the Vienna Conference, spies, and so forth, and that he undertook then to return on the subject of aid.

The principal concern of the committee then was to receive evidence that political judgments had been exercised in reappraisal of aid to such countries as Korea, Vietnam, and Latin America. The feeling was that programs had gone forward in pretty much the same old pattern and that there had been no consideration of such things as should we concentrate aid on a few countries; where will we be 10 years from now in Korea; are we weakening the countries in order to force them to maintain large armies, thus making them ripe for internal subversion.

SUBJECTS FOR DISCUSSION

Other subjects you may wish to raise are the following:

What is the Department's present thinking on language in the bill relative to the admission of Communist China to the United Nations? We have already had some exchange of letters on that subject with Senator Dirksen.

How does the Department evaluate the Deutscher article on the state of Sino-Soviet relations?

On Berlin, would the Department find a resolution along the lines of the attached Javits' resolution of any significance?

And with respect to Korea, what does the Department think about the recent developments in that area?

Mr. Secretary, we are very pleased to have you this morning. Would you care to make a short initial statement before the questions start?

I may say that we do not have many here now, but my check by the staff would indicate that we have seven who said they would come, and three more will be late, but I, unfortunately, have no control over my colleagues about their attendance.

STATEMENT OF HON. DEAN RUSK, SECRETARY OF STATE

Secretary **Rusk**. Thank you, Mr. Chairman.

Mr. Chairman, I appreciate this chance to be here. If I have any regret about the attendance of the committee it is because I would hope we could get into as many questions as will interest the committee as promptly as possible, and I am entirely at the committee's disposal to come back at any time that it would be convenient if the chairman of the committee would wish it.

Perhaps I might comment briefly on certain of the central questions that have been raised, and then leave the way open for as much questioning as the committee would wish.

I would like to comment on the broad question of the extent of the review of the aid programs by the new administration.

We have tried to make as searching a review as possible of the nature of the program, the purposes of the programs, the administration and the techniques of the programs. This review is still going on, and I hope will continue to go on.

We do face a little bit of a problem in talking about a program which is in transition, in face of the fact that at least some of the committees of Congress seem to like a high degree of specificity about the actual content of the program.

TASK FORCE ON FOREIGN AID

There are programs before you which almost certainly will change in some respect in the light of some of the comments which I will be making. But before Inauguration, then Senator Kennedy, set up a task force to study aid and trade under the chairmanship of Mr. George Ball, and following Inauguration, set up a task force to continue work on the foreign aid programs under Mr. Henry Labouisse.

We had the benefit of earlier studies such as the study, in effect, directed by this committee last year, and out of the review of the 15-year experience and the criticisms and observations which have been made over the years on the aid programs, and out of the personal observations which some of us have had of our aid programs overseas, a number of changes in emphasis were introduced into the new proposal.

There was, of course, the suggestion for a simplified administration, with the responsibility concentrated upon known individuals who would bear direct responsibility for the administration of the program.

There was a shift toward, in the direction of, national development programs and away from the helter-skelter type of project assistance, this, in the hope that other governments would give serious and long-term attention to their own problems of national development, and get themselves seized with the concept that national development must occur on a broad front and over a period of time.

This led to the hope that we could ourselves take a long term look at our own aid activities and be prepared to make certain long term commitments over a period of years.

DIVISION OF LABOR WITH OTHER COUNTRIES

We hope to be working more and more toward a division of labor, with other countries who are in a position to help.

This is a matter which will require a great deal of negotiation not only with the countries providing assistance, but with countries who will be receiving assistance.

In the continent of Africa, for example, the French are themselves providing just less than $1 billion of assistance to countries who were formerly a part of the French Empire.

Senator **Wiley**. How much?

Secretary **Rusk**. Just less than $1 billion, something in the order of above $800 million. I have not the exact figure with me this morning.

Senator **Wiley**. Military and economic?

Secretary **Rusk**. All combined; yes, sir.

The **Chairman**. Per year?

Secretary **Rusk**. Yes, sir. Now, we have on our list——

The **Chairman**. Before I finish, does that include loans?

Secretary **Rusk**. That is total help; yes, sir.

The **Chairman**. Grants.

Secretary **Rusk**. Some of it, a good deal of it, is grant. I will provide for the record an exact breakdown. I do not have it with me.

Senator **Williams**. That does not include the Algerian situation, does it?

Secretary **Rusk**. No, sir.

But the division of labor is important partly because of the efficiency of our own activity, and partly because we would like to stimulate these other Western powers to take more and more of this aid responsibility on their own shoulders.

WORK WITH MORE REALISM

The new program submissions to the committee do show a considerable number of countries for small amounts of aid listed.

Let me confess, quite frankly to the committee, that this is a matter on which we have to work with more realism.

In these days, it is very tempting for every government and, indeed for every American Ambassador, to suppose that some sort of an aid program is an essential ingredient of diplomatic relationships.

We, if I might interject a comment arising from my experience in private life, when I was head of, in governmental terms, a relatively small private foundation, had a situation where almost every desk officer, and almost every ambassador would write us asking that we, at least, show the foundation flag in his particular country in some way, and we were determined to use a high degree of concentration in the use of our funds in the most economic fashion.

But, nevertheless, this country does have certain unique offerings in the field of foreign aid, particularly in the development of manpower.

I think it might be wrong for us not to make at least some use of these unique contributions even in countries which are receiving most of their help from other sources. This refers particularly to the development of manpower.

DEVELOPMENT OF MANPOWER

Senator LAUSCHE. Development of manpower—in particular, what do you mean?

Secretary RUSK. I will illustrate that in two respects.

Senator LAUSCHE. Yes, sir.

Secretary RUSK. In the field of agriculture and engineering, for example, the development in the United States of the Land Grant University is almost unparalleled as far as other countries are concerned.

We have a type of university here which was literally developed as a part of our own national developmental effort, and they have moved the study of, and the experimentation and the practice of, agriculture and engineering, for example, to a high degree of proficiency.

We have an ability to give to other countries a resource which they cannot find so easily, for example in the continent of Europe.

Similarly in the medical, on the medical side, the Anglo-American experience in medicine has been in the direction of combining a high degree of experimentation and laboratory work with a minimum amount of lecturing.

The continental tradition has turned it around, a high degree or high percentage of lectures, a minimum amount of experimentation.

We feel that the practical approach to medicine, which comes out of the training which is available in the United States and the United Kingdom, is for most of these countries far superior to the rather scholarly traditions long established in Western Europe.

If I could illustrate that in one of its extreme points: Until relatively recently, and certainly during the latter years of the Peron [1] administration, and holding over until the new administration in the Argentine, there were some 3,000 entering students in the freshman year of the medical school in Buenos Aires.

These students could not even go to the lectures because there was no room for them in the lecture halls. They would go out to the newsstand and buy the syllabi of the medical courses, study those, pass the examinations, and start practicing medicine.

Well now, this difference in concept suggested where we have a unique offering with a strong emphasis upon laboratory technique, actual practice, that even in countries that are receiving most of their help from some other source, we might want to make, through fellowships, scholarships, training programs, some of our unique contributions available. So if there is a long list of countries that are in our aid program, many of those are in there for relatively small amounts.

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[1] Juan Peron, President of Argentina, 1946–1955.

I think there is a much greater degree of concentration on substantial assistance aimed at national economic development.

Similarly, as we are trying to move toward a division of labor, we also hope to make better use of the consortium technique, that is, where the foreign exchange needs of a development program are substantially larger than we ought or need to take up ourselves, that we try to mobilize a group of industrialized Western countries to pitch in and make a group contribution, normally under the leadership of the International Bank, to enable these countries to get on with their program.

WHAT IS MEANT BY SELF-HELP

We have said a great deal about self-help and it is, frankly, difficult to spell out in great detail exactly what is meant by self-help, because this will vary considerably from country to country.

But it includes, first, I think and foremost, a genuine effort to mobilize the interest of the people themselves in their own development. This has been one of the missing pieces in many developmental efforts. There has been manpower standing idle.

There has been a lack of zeal and initiative and energy on the part of the people themselves to which their leaders, we think, must address themselves.

Self-help includes a great many details as well as large matters such as national taxation programs, administrative reform and matters of that sort. It goes to such things as working toward a decent salary for the civil service, for the professors in universities, so that these people can afford to live in these jobs without taking on several jobs or without resorting to corruption.

It means appointments on the basis of professional qualification to jobs requiring professional qualification. It means a vast variety of things.

We hope that we can work toward a broader role of private enterprise, and this has been discussed with the committee.

The injection of, the notion of, research into the aid programs is a part of this review, because there is a great deal that we do not yet know about the processes of development, particularly on the sociological side, and we think that some attention to research aspects could be extremely productive.

THE SECURITY SITUATION

In the case of military aid, we have approached that, broadly speaking, from the general notion that it is not the general policy of the United States to provide military assistance as a matter of national policy, just as we would hope that it could be our policy not to maintain a large military establishment in our own country. Both of these are approached as a necessity. Both of these are approached in terms of what is required by the security situation, the safety of our own country, and the security of the free world.

Inevitably, problems of this sort break down into individual cases, and there has been a most intensive review of several of these situations in which we have been continuing military aid.

We feel that we must think of military assistance in relation to the nature and the presence of threat, and to try to tailor military aid to the nature of the threat.

There are some elements in our military aid program which are in direct support of the United States' strategic needs. We have been looking at those carefully and critically to see to what extent these needs are important, and to what extent our quid pro quo for bases and for other services and facilities need to take the form of military assistance rather than some other type of assistance or arrangement.

We are troubled, quite frankly, and are dubious about the notion of competing with the U.S.S.R. directly through military assistance. This type of competition could be endless, it could be unproductive, and it could lead us into a blind alley.

EXAMPLE OF INDONESIA

Yet there may be situations where some attempt to provide some military aid in a country which is already receiving Soviet military aid might be worthwhile, and I would suggest, for example, that Indonesia is a fair problem to lay on the table in this connection.

Over the recent few years Sukarno has, in fact, liquidated the political effectiveness of most of the non-Communist political parties in Indonesia. There are two major forces now at work in that country. The one is the PKI, the Communist Party, and the other is the armed forces headed by Nasution, and with the support of the Sultan of Jakarta, and other non-Communist elements in the country.

Sukarno is balancing these two forces together. From the point of view of what might happen if there is an explosion in that country, the attitude of the armed forces would be quite critical. It is the only serious counterweight at the present time to a take-over by the PKI.

Even though Sukarno has agreed to accept substantial military assistance from the Soviet Union, we are inclined to feel that it is important for us to keep our own ties with Nasution and the army leadership in order that we have some relationship with which we can work if events in that country blow open.

Now, this is not a highly attractive kind of arrangement for us to be involved with. But this is a case of a prudent gamble in a situation which could be of great importance to us, and this illustrates, I think, some of the dilemmas in which we find ourselves.

AVOID UNNECESSARY ARMS RACES

We would like to do what we can to avoid unnecessary arms races. We would like, for example, on the Continent of Africa, where so many new nations are coming into existence, to try to steer them away from, or help steer them away from, the kind of arms competition which grew up over the years in Latin America, where armed forces excessive to their internal security needs came into being, and where local rivalries built up armed forces which were probably in excess of their actual defense requirements. There is an opportunity in the next several years, we think, in Africa to work in this direction.

We are running into some difficulty because the African states themselves are not too keen about this idea. They tend to see armaments as part of the trappings of sovereignty. They look across the border, and even the limited arms which some of them now have seem to spur their neighbors to develop their arms programs.

We would like to stay out of this, if we can, and organize some groupings of African states or some regional arrangements by which they could accept self-imposed limitations, and move their armed forces in the direction of internal security needs. This has been discussed with a number of them.

President Eisenhower about 1 or 2 years ago suggested that this was the line along which the African states might work. It has run into some obstacles because of competition among African leaders for influence in that continent. But we think we ought to work stubbornly and persistently behind this, quietly behind the scenes, to see if we can get the leadership in Africa to proceed in this direction.

Lleras Camargo [2] has made some statement about internal security limitations in Latin America which have been helpful in our discussions with some of the African leaders. But this is something we feel that we need to work on.

DEVELOPING EXISTING ARMED FORCES

I think there is another matter of general policy that we are extremely interested in, and so are our colleagues in the Pentagon, and that is to find ways and means to bring existing armed forces more and more into the process of development itself, in terms of engineer services, in terms of communications activities, in terms of health activities, and to bring existing armed forces more and more into the service of the country during peacetime by carrying out, by assisting with, the technical development of the country, combining their training with actual contribution to development needs.

The Pentagon is working on developing our own teams, our own facilities, for providing advice and help in this direction, and we think there is considerable profit there.

Senator MORSE. May I interrupt, Mr. Secretary, to call your attention to the fact that the chairman of this committee and the chairman of the subcommittee on Latin American affairs, which it is my privilege to occupy at the present time, put into the foreign aid bill a couple of years ago this exact language:

> To the extent feasible and consistent with the other purposes of this chapter, the administrators of the military assistance program shall encourage the use of foreign military forces in the underdeveloped countries in the construction of public works and other activities helpful to the economic development.

That was the Fulbright-Morse amendment 2 years ago, I think, wasn't it, Bill?

The CHAIRMAN. Yes, 2 years ago.

Senator MORSE. And the Congress has already gone on record in support of the principle. I will discuss it with you a little later this morning because I do not think we had the cooperation from some of the people in uniform that we ought to have.

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[2] Alberto Lleras Camargo, President of Colombia.

Secretary Rusk. I think that was a very wise policy approach to this matter, and I think we need to step up and stimulate that entire range of activity because there is a great deal that can be done there.

REVIEW OF STRATEGIC SITUATION IN NATO

On some of the specific situations which are troublesome to us, and I know troublesome to this committee, we have made a very thorough review of the strategic situation in NATO. We have tried to think about that in terms of the most probable types of attack or assault or situation which might require the use of NATO forces.

We have felt that the NATO forces were getting somewhat out of balance and getting themselves in position where almost no shooting could occur without immediate resort to nuclear weapons, and that it would be important to have, to bring, the conventional forces in NATO more in line with the actual plans of NATO, in order to put the NATO countries and ourselves in a position to engage the serious state responsibilities of governments at times of crisis before a hasty or accidental resort to nuclear war, a concept which General Norstad has called raising the threshold.

Those discussions are still going on with our NATO allies. We will be working on them in the weeks ahead, of course, and we hope that our allies in NATO will be taking steps to strengthen the conventional forces without reducing the nuclear capabilities alongside.

EXPERIENCE IN LAOS

We, of course, are deeply troubled by the experience in Laos. We found when the new administration took office that there was certainly a dangerous problem in Laos, that much of our effort in the past had come to a disappointing situation; that the Laotians themselves had proved unable to meet the kind of threat which was being forced upon them, which was being directed at them; that, in part, this threat might have been stimulated by events in Laos which might have led to, some to, miscalculate or misjudge what our real intentions were in that country, and that we had a most troublesome and complex situation with which to deal.

We thought that one of the first things we ought to do was to try to clarify our intentions, that we were not looking to Laos as a military base or as a military ally. All we wanted really was for the Laotians to be left alone.

As far as we were concerned, Laos could be a neutral and independent country insofar as any American national interest was concerned.

The Chairman. That policy is your policy; that has not been the policy up until the first of this year, has it?

Secretary Rusk. I think the principal event which might have thrown doubt on what our national attitude was toward Laos, was the coup d'etat of last December.

The Chairman. That is right.

Secretary RUSK. In that respect it is hard to pass a complete judgment on a matter where many of the circumstances have now sort of disappeared into history.

But I think that it is possible that we might have worked more in the direction of consolidating the forces in the country behind a general attitude of independence and neutrality rather than creating such sharp edges on the differences among the Laotians themselves which led to the sharp divisions between those who were supposed to be pro-Western and those who were supposed to be neutralist or even pro-Communist.

TOO HASTY IN ASSIGNING LABELS TO OTHER COUNTRIES

I do think, Mr. Chairman, that the people in the West, and I think this is particularly true of the press, are a little hasty in assigning labels to people in these distant countries.

I do not know to what extent, quite frankly, it is correct to talk about the King or General Phoumi [Nosovan] as pro-Western in any fundamental and far-reaching sense. I think they are anti-Communist. I think they are certainly non-Communist.

I think that it would be very difficult to assess accurately the real motivations of a person like Souvanna Phouma. We know that he is bitter toward the United States, partly because of the events of last December. We know that he is a man of great unreliability in his own personal attitude in politics. But I have a notion that we have labeled people a little too clearly and a little too promptly in their attitudes and, of course, at the present time Souvanna Phouma is playing very closely with the Communist side, partly because of the events of last December, and partly because the Communists have picked him up since then and given him massive support.

I do not believe that we should at the present time write off Laos.

The cease-fire is in reasonable order although the Pathet Lao are putting on considerable pressure still.

The longer that cease-fire can be reasonably stabilized, the stronger, I think, the position of the King and the non-Communists is likely to become.

The King himself shows signs finally of taking a more active role in the political life of the country, and we think it possible, with it becoming more and more difficult for the Pathet Lao to resume hostilities, that, without engaging a serious reaction from world public opinion, that the opportunity for political negotiations, presided over by the King, will become more favorable from a non-Communist point of view.

THE LESSONS OF LAOS

I think it would be difficult at the present time to talk about the relationship of an aid program of Laos because anything that we would say today could be seriously affected by events in the next 10 days or the next month or so as the Laotian leaders continue the negotiations among themselves about the formation of a new government.

I would suppose that we ourselves would not wish to put massive aid or large aid into a country which had only a pretense of neutrality.

I think we would certainly not wish to put aid into a country which was obviously Communist, and I think that in any event we ought to try to internationalize our aid in the sense of getting a considerable number of countries to make contributions if a government can be formed which is, from our point of view, reasonably worth supporting.

I think some of the lessons of Laos are relevant to the new program. I do think that—and this is not a partisan remark because the observations have been bipartisan in character—I think in Laos we have had relatively poor administration of our own aid programs. I think we have had much worse administration from the Laotians themselves. In part, this is due to the difficulty of recruiting people for a country like Laos and, in part, it is due to the almost infinite opportunities which people of another society, a society with which we are relatively unfamiliar, have to out-wit, to circumvent, to delay any activities or operations of ours which they may not fully accept and approve.

We have had the most intensive review of the problem in Vietnam.

SECURITY AND NEUTRALITY

I might pause here for a moment just to comment on the general problem of security in Southeast Asia. I do believe that the security of Southeast Asia is important, is of really great importance, to the security of the free world. That this turns not only upon the resources, the location of Southeast Asia——

The **Chairman**. Just what do you mean by security there? Does that exclude their status being neutral?

Secretary **Rusk**. At the present time, Mr. Chairman, I think there is not a great difference between neutrality and, in effect, alliance, because Southeast Asia is under direct pressure from the Communists. If Southeast Asia were, that is, if Vietnam, Laos, Thailand, were relatively stable and free from the direct activity from the other side as, for example, Burma is today, then a neutral Southeast Asia would, I think, have some attractions.

The **Chairman**. Why do you think Burma is free from it, and why is Cambodia apparently free from it?

Secretary **Rusk**. Burma is free from it because the Burmese have succeeded in overcoming the local Burmese who—that is, for the time being they have succeeded in overcoming the local Burmese—who have supported any attempt to impose communism on that country.

PLACING AMERICAN BASES AND ARMED FORCES

The **Chairman**. Well, could it be because we have not had a military base there and have not used it as a military base or not? Would that have anything to do with it? The question is the causal relationship between our program and their conditions.

It seems if we seek to make it as a base, then you generate this conflict, don't you, or does the conflict generate the base? This is, I think, a very important question.

Secretary **Rusk**. This is, I think, a very far-reaching question.

The **Chairman**. Well, you have two examples, You have Burma and Cambodia there that have maintained neutrality. We have not put forces in there, and apparently they are relatively free from subversion and infiltration.

Secretary **Rusk**. I would not suppose, Mr. Chairman, that Cambodia has any assurance at all, arising out of its position of neutrality, because if Laos goes Communist and becomes a base for further penetration to the south, I think you will find Cambodia is in serious danger.

I think we have to go back to the basic idea of the Sino-Soviet bloc on its broad strategy over the years ahead. I personally do not believe that the Sino-Soviet bloc is interested in neutrality as a permanent state of affairs for other societies.

I think that they look upon neutrality as a way station. I think Mr. Khrushchev has indicated that every vegetable has its season, and it would be harvested when the time comes. Of course, they would prefer neutrality rather than alliance with the West, but they are committed to a world revolution which they are committed to press.

The **Chairman**. We all realize what they intend. But the question is whether or not a country, a small country is likely to survive if it maintains the attitude of neutrality.

WHICH IS MOST LIKELY TO SUCCEED?

Take Iran—no, Iran is committed. But Iraq, it is not going to be Communist. That is one example. But apparently they have maintained neutrality, and they do not wish to use force to subvert them. I agree as to the purposes of the Russians.

But the question I am interested in is which is the most likely to succeed. The reason I ask that question is because of the problem now in Korea where we put so very much money into it. We have put more money into Korea than all of Latin America, 21 countries, in the last 15 years, since 1946.

This seems astounding to me when you look at the total and what have you got? What are you likely to get if you do it 10 more years, and whether or not we can either afford it, in one sense, or whether it is wise to spend any money.

Secretary **Rusk**. In the case of Korea, Mr. Chairman, we did a great deal to indicate to the Communists that we were not interested in building up a base in Korea or using it for American military purposes.

We were not in an alliance relationship with Korea at the time of the North Korean attack. I suspect that when we took our last regimental combat team out of Korea in 1949, after having delayed its removal at the request of the State Department for a year, that that was taken as a sign by the Soviet camp that we were not sufficiently interested in Korea to do anything about it, and it was there for the picking.

Senator **Williams**. You practically made that as an announcement, did you not?

Secretary **Rusk**. Well, that, I think, perhaps, Senator, refers to Secretary Acheson's Press Club speech.

I think that a full reading of the speech would lead to another interpretation, although there was some room for ambiguity in one or two sentences which he used.

AMERICAN PRESENCE CAN SHARPEN THE SITUATION

But I just do not believe, Mr. Chairman, that a general policy of neutrality in areas like that will serve to protect countries against the pressures of the Sino-Soviet bloc.

I think it is always possible, of course, that there may be situations where the American presence can sharpen the situation. I think in retrospect that one can say that had we internationalized our effort in Laos, had we reduced somewhat the sharp edges of the American presence there, that it is possible that the other side might not have moved when they did and as they did to come into that country in this most recent episode.

But I do not believe, sir, that we can rely upon neutrality protecting these countries unless that neutrality is somehow underwritten.

Let me go back, if I may, to the weekend of the Korean outbreak. On that weekend there were no neutrals in Asia at that time for several days there. We had message after message from so-called neutral countries that they hoped something would be done about this attack.

When the Indonesian Ambassador left my office after I had called him in to tell him President Truman's decision, he said, "I feel so much better in the pit of my stomach today than I did yesterday."

The Burmese Ambassador said that, "if the West will make it clear that they will not permit this vast Sino-Soviet bloc to take over Asia, Asia will be with you in sympathy and spirit because they prefer it that way."

UMBRELLA OF POWER

Now, neutrality is only possible if the Sino-Soviet bloc is confronted by Western power. There has to be some sort of umbrella of power there or neutrality becomes a vacuum of power into which power will move.

Now, this is hard to prove. It is hard to—because we have, in fact, been involved in situations where this issue arises, therefore, the question that you raise is a fair question in terms of what is cause and what is effect.

But they had an opportunity in Korea to leave the Korean people alone, and they did not take it.

They had an opportunity in Iran to leave the Iranian people alone in 1945 and 1946, and their attempt to keep their troops there was the first case before the Security Council of the United Nations.

They had an opportunity to leave Czechoslovakia alone, and did not.

They have had many opportunities to show that they would be content to live with neutral countries that are not hostile to themselves, have no military ambitions with respect to the Sino-Soviet bloc, and yet they have put these pressures on.

We were not in an alliance with Greece when we had to deal with the guerrilla problem, and it was known that the British were on their way out, and were themselves building up no aggressive action against Bulgaria or any of Greece's neighbors to the north.

It is the problem of tempting thieves.

COMMITMENTS THAT CIRCLE THE EARTH

Senator LAUSCHE. Mr. Chairman, may I put a question to point up this subject? If we determine that the granting of military aid is a cause of invasion by the Communists and, therefore, we quit military aid, where do we stop? Do we pull out of Korea and out of Taiwan, Laos—well, we are practically out of that—but the question is where do you end? I would like to have you discuss that phase of it.

Secretary RUSK. I think there would be two somewhat different answers, if you could start all over, Senator. But at the present time we have commitments with more than 40 nations, multilateral, bilateral, that just about circle the earth.

Now, there are some of us who believe that aggression itself is the problem, and that the course of aggression, the chain of aggression, inevitably leads to World War III.

Those who had to help decide the question of resistance in Korea in 1950, coming back to that still once more, I think, were deeply impressed with the course of events which started in Manchuria in 1931, led through Ethiopia, the rearming of the Rhineland, reoccupation of the Rhineland, Czechoslovakia, Austria, these other events, which led to World War II, and they felt it was very important to stop this chain of aggression at its source.

Now, Laos, Vietnam are a long way from here, but so was Ethiopia before World War II. So that part of what is at stake is what our commitments mean.

The Southeast Asia Treaty Organization was ratified by 8 or 9 to 2 by this body. It was bipartisan. It is a national commitment.

There may be ways in which, over time, we can help build a situation across Southeast Asia, including the neutrals so that the Southeast Asia Treaty commitment need not be invoked or can gradually wither away, if you like.

But that situation is not now. There is active pressure from the north into Vietnam, into Laos, and if that continues, into Thailand and into Cambodia.

One of the troublesome things about this Laotian question, as complex as it is, has been the effect of Laos on the attitude of peoples in other parts of the world.

There are people in Western Europe who are concerned about what this means in terms of the commitments of the United States, United Kingdom, France, as well as the other members of Southeast Asia.

CAN WE AFFORD TO PULL OUT?

Senator LAUSCHE. That is really the crucial question, I think, what do our commitments mean.

But, may I say, let me ask if our presence of military invokes aggression, then the implication is we ought to pull out. Now, can we afford to pull out of the Far East militarily wherever we are.

Secretary RUSK. Well, against the history of that area I would think that it would be very dangerous for us to pull out, and it would be particularly dangerous if we pulled out our own military commitments and, at the same time, kept our security arrangements with these countries.

We tried this in Korea; we did not go into North Vietnam at the time of 1953 and 1954, despite the fact that the United States, the United Kingdom and France had agreed for years that that river delta, that river valley, was the key to the security of Southeast Asia.

Not having troops there did not prevent this aggression to the south as far as the United States was concerned.

I think, sir, we are committed to opposing aggression right around the globe, because I cannot see any other course ahead of us in the long run than a steady nibbling away, a steady advance of the Sino-Soviet bloc until they get to a point where, with even greater strength, they make a move which we would have to oppose.

This is difficult, it is costly, it is dangerous. But the alternatives seem to me filled with even greater dangers and even greater costs than an attempt to build a security system which is secure against attack.

SURREPTITIOUS AGGRESSION

I think the most troublesome part of it is that this chain of alliances has succeeded, in fact, so far in preventing aggression through large organized armed forces since the Korean war. But it has not found itself capable of dealing with an informal, surreptitious, less-organized type of aggression, and that is why in a situation like Vietnam, the nature of our action is so much more complex it has to be so much more complex than a response in a situation such as Korea.

We have felt that the emphasis in South Vietnam has been too exclusively on the military side. We do not believe that the military effort can be significantly reduced, given the nature of the terrain, the nature of communications and the inherent difficulty of dealing with several thousand guerrillas who can operate on a hit and run basis with the assistance of agents and sympathizers in the villages where, as Mao Tse-tung put, every bush becomes an ally.

We do think that the Government of South Vietnam can do and in fact is beginning to do, a great many things that will improve their position.

They have had very poor intelligence about where these guerrillas are, what happens to them after they strike. Their intelligence operations are being improved.

They have had no radar to help them check on aircraft flying in from the north to resupply guerrillas. That is going into position. They have had relatively little combined military and civil action in the villages such as the British found so successful, finally found relatively successful, in Malaya. They are moving into that.

THE PRESS AND VIETNAM

They have had problems in getting a balanced story of the situation in Vietnam out to their own people or to the outside world.

The press is inclined to look upon bad news as more newsworthy than good news.

An effort is being made to get more of the press out into the countryside to look at some of the more constructive developments as well as something of the distressing developments.

The armed forces themselves are taking up this general notion of finding ways themselves to contribute to development, and they are moving in with that type of activity.

But the matter has been thoroughly reviewed in great detail both by our people out in Vietnam and back in Washington, and the Vice President discussed with President Diem a great many of these steps that we feel that President Diem himself ought to take.

He has made commitments and promises. I will have to say still once more on some of these steps, our problem will be to get him to follow through with them vigorously. But it will require the strengthening of the society across a broad front on the military and civil side if they are to deal successfully with these attacks from the north.

NEGLECTED AREAS OF THE WORLD

The **CHAIRMAN**. Mr. Secretary, what bothers me about this is you have Africa and you have Latin America. We have had Cuba, which is a little beginning experiment in our own hemisphere. We put more money into Korea, a country of 20 million people, very poor, with no future, than we have in Latin America during this period; and right against us here it has been relatively neglected. I was trying to see if there is not some balance in this.

Now, General Lemnitzer announces the policy in a broad way of every inch of non-Communist territory is our responsibility. That is a broad, easily understood policy no matter where it is.

I was wondering if there is any possibility of taking a view that there is here a rather large world and there are large areas we are neglecting, relatively.

Latin America is the most obvious one right up against us, with a great possibility of development. Most of those countries, Africa is a place where we have put in relatively little money and effort. We have concentrated in a few spots enormous amounts, I think over $11 billion in four relatively small specks on the horizon, that is, you have Taiwan, Korea, the Philippines and Vietnam together which are $11.8 billion. That is nearly three times as much as we put into all of Latin America during the same period, that whole continent, and we now have trouble in Latin America.

If we have further trouble, supposing Venezuela or Brazil, it could go this way, it seems to me, far more disastrous than the loss of Korea.

I am just asking, is there any balance in it? If we take the view of Lemnitzer, then any place is of equal importance to the long-time survival of the United States and the Western people.

I wonder if it is not at least worthy of examination to see, perhaps, whether we are unable physically, that is, with manpower, trained administrators, as you have already pointed out—this is one of our greatest problems, the problem of finding people to administer, even if we find the money, and we obviously have not succeeded in that—I do not know any reason why we are likely to in the near future, compared to the other policy of more selectivity in trying to choose those areas that are more manageable, surrounded by the sea, not contiguous to the Communist area. That was the only thing, asking you to examine it.

Secretary RUSK. Yes, sir.

AMERICAN RESPONSIBILITY IN NON-COMMUNIST TERRITORY

The CHAIRMAN. Do you subscribe to the idea that every inch of non-Communist territory is our primary responsibility to defend with arms?

Secretary RUSK. I think I would not put the problem in quite such rhetorical terms as my good colleague.

The CHAIRMAN. Isn't that the way he put it in the morning paper? It was reported yesterday, before the committee in the House, if I read it correctly this morning, that that is his policy. That is understandable and easy. That has been apparently our policy.

I am only seeking to find out what can we be effective in. I hate to follow a policy because we are emotionally attached to it. I hate to be putting all our money in Korea and then have Latin America go Communist. That would be a devil of a situation.

Secretary RUSK. I understand that fully, Mr. Chairman.

The CHAIRMAN. In a relative effort that is what we are doing. We have relatively neglected it. We have put $4.4 billion in during this same period when we have put in $11.8 billion in this same period in these four relatively small countries. I do not know, maybe every inch is necessary.

You ask where does it stop? Well, I do not know where it will stop either. But I do know that it is certainly easier with our facilities to protect Latin America from overt incursion although we have not prevented it from developing in Cuba, and we won't prevent it from developing in Brazil. If those people want to go that way and if they do go that way we won't do it by armed aggression.

Senator MORSE. Mr. Chairman, I am so glad you are raising this point.

COMMITTING POLITICAL SUICIDE

Let me take not more than a minute. I think it is wonderful to have the Secretary up here, and in this briefing he has given us it is very helpful, but I think it is important that the Secretary learn something about some of our problems around this table in connection with this bill.

What is worrying us, and why.

For example, and nobody probably ever expected to hear me say this, but in its present form I shall vote against this bill. I cannot possibly support this bill, and that will be the first time that I have ever taken this position on the foreign aid bill.

There have been other times when I have voted against bills in committee but have always supported them on the Floor.

I could not support this bill on the floor. I shall fight this bill on the floor in its present form, and I think the Secretary has to find out why these defections are taking place, because I think you are going to be surprised at the number of defections you are going to get on this bill. I think it is quite possible for us to reconcile our differences, but the State Department has to face up, in my judgment, to some of the political realities of life that exist in this country today. The people are not going to sit here and vote for a bill which, in the first place, they do not think is in the interests of the country and, in the second place, voting for it means that they are electing a successor to the Senate, and that would certainly be true in my State if I voted for this bill. I do not intend to commit that kind of political suicide unless committing political suicide would be for the good of my country, and I do not think supporting this bill would be good for my country. Though I do not know what your time schedule is, Mr. Chairman, I think the way to work ourselves out of a very critical situation you are in in regard to this bill is to find out what is convenient for the Secretary, and we could do it in a group, on a group basis, rather than try to seek individual conferences with the Secretary and, in a sense, to consume much more time than needs to be consumed.

But I have some very serious problems to raise about this bill that I would like to have his reaction to, but I wanted it in my turn.

I think that when we decided to bring the Secretary up, one of the things we wanted to do was to have a heart-to-heart talk with him about some of the political realities of life connected with this bill.

Senator CARLSON. Mr. Chairman, let me have just a minute.

The CHAIRMAN. Yes.

AGRICULTURAL CONSIDERATIONS

Senator CARLSON. Senator Aiken is not here this morning, Mr. Secretary, and I wish you would have heard him the other morning when he discussed this, and in which he stated that he was not going to support this bill until he had the views of the Department of Agriculture. You may have gotten that, and I hope you did, because I have just come from out in the Middle West.

We have a very severe drought out in 2 or 3 States particularly North, South Dakota, some in Minnesota, and it goes up into Canada.

I am sorry Senator Aiken is not here to express himself, but it is his thought, and I am coming around to this same conclusion, that if we are to get ourselves in a position where we are going to get our Nation's agricultural production based on supply and demand and not be able to use this great quantity of food as a part of peace in an international program, I think we are making a mistake, and I would urge you to visit with the Secretary and get the actual figures.

~~Now,~~ we may be carried away by this drought, but I doubt very much that we are going to add very much to the surplus of wheat this year. I am sure it will be 100 million bushels or less, and this year we exported more wheat, 675 million bushels, then we used domestically, and I think it is a good program, and I favored it.

But I would urge you to check into that because I think it is important in dealing with this program.

AID TO MALI AND BOLIVIA

Senator SYMINGTON. Mr. Chairman, I would make a couple of observations in support of some of the things said by you and the Senator from Oregon.

The CHAIRMAN. Yes.

Senator SYMINGTON. We had defense aid request money for Mali. One of the Senators asked, inasmuch as it was paratroopers, what airplanes would be used? The witness said he would find out.

They did not have any airplanes, but thought they could borrow DC-3s from the British.

The second point I bring up is tin.

A few years ago I knew as much about tin as most people who are not experts in tin. When we got into Bolivia we always talk about tin. Why don't we talk about something else because we already have too much tin?

The maximum amount of tin we would use under any situation is $400 million less than we have. In other words, we have over $800 million of tin in the stockpile.

Why we classify the stockpile figures has been a mystery to me.

I think things are far better than they were 10 years ago, when Patino's[3] man was the Ambassador here in Washington. But there must be other ways of helping solve the Bolivian situation instead of constantly going back to tin, especially as we have nearly half a billion dollars more tin than anybody says we need on any basis.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Secretary, do you wish to comment on the observation, for the record?

Secretary RUSK. I think I would have to go back and review my homework on tin before I could comment on Senator Symington's question.

I had been advised that the market situation was greatly improved, that there were shortages in the market, that our strategic stockpiles were not available for generally feeding the market, and that it was now becoming much more feasible for Bolivia to work out some foreign exchange in tin without upsetting world markets than it had been before, for many years before. But I would have to review, in light of your remarks, the information I had at my disposal.

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[3] Simon Ituri Patino, Bolivian industrialist and diplomat.

JAPANESE LOG PURCHASES

Senator **Morse**. Mr. Chairman, again I address myself to your pleasure. But I can give you my specific example of the problem which the State Department is going to have to concern itself about in connection with this matter of foreign aid, that resulted in the representatives of the offices of Senators and Congressmen from the States of Oregon and Washington spending over an hour and a half with the representatives of the White House in my office this morning, because we are very much disturbed about a report from the State Department—we cannot get our hands on it, but lobbyists have already got it, and so we are getting it back piecemeal in telegrams from our State—and these are things I would like to call to your attention. It involves this question of Japanese logs, the purchase of logs by Japan.

Senator **Lausche**. What is it?

Senator **Morse**. Historically Japan has bought finished lumber from the Pacific Northwest. Last September there was a lifting of this limitation on currency. The economy of Oregon is a lumber economy, and much of the economy of Washington is a lumber economy, in fact, if lumber goes down in the States of Oregon and Washington, we are in a recession, and we have been in a recession in the past several years, with thousands and thousands of people out of work. People do not know it.

Next to West Virginia, Oregon for months and months during the recent recession was the second highest unemployed area in the country.

Now, what is happening is that Japan is coming over here and they are bidding from $5 to $30 per thousand at auctions more than any American lumber buyer can buy and operate a mill profitably, with the result that lumber mills are still going down in our State and in the State of Washington.

They are shipping these logs, and the Secretary knows something about shipping problems. They can ship logs in holds of vessels, that is the type of logs they are buying, they can ship cut-up logs. But you have to ship them on the decks, and you cannot get them loaded except in the daytime, which increases, of course, your loading costs. You cannot work the ships at night. Longshoremen won't touch logs at night because they are so hazardous, and you have to pay them a premium pay to load on decks besides, but the Japanese can come over here and buy from $5 to $38 per thousand more than any American bidder can bid on Government timber, and pay these extra transportation costs and take them to Japan because of the apparently lower cost labor and the newer tools, may I say, German saws which they have rebuilt with our money, a lot of saw mills in Japan.

PROTECT THE LOGGING INDUSTRY

Now, I want to say this quite in a nonpartisan manner. In these two States the Republicans and Democrats are just up in arms about what is going to be done to protect our lumber industry from exporting jobs because this is what this amounts to.

When these Japanese come over and buy these logs we are exporting American jobs, and so you have the lumber unions and the lumber employers united on this.

It has now been for some time the major economic, yes, political issue in these two States.

I presented this to Chester Bowles along with other Senators some weeks ago. Apparently there was appointed an advisory committee consisting of Agriculture, Interior, and State, and they tell us that they have prepared a negotiated report. God deliver me from a negotiated report that is entered into by these departments of this Government under any administration, because what you have is a bunch of compromises in a negotiated report that will bear very little relationship to the economic realities that confront the States of Washington and Oregon.

We understand that report has gone to the White House. We do not have absolute assurance of that. Mr. O'Brien[4] will give it to us before the day is over.

We think at least we ought to get the facts from the industry into that report, and the lumbermen tell us that not a person from the State Department has been near a lumber mill in the State of Oregon or not a person from Agriculture or Interior.

Where they got the facts that are supposed to be in this report we do not know, but we want to get the report, and we will pass final judgment when we get it.

But the point I want to make, Mr. Chairman, is that you have not a chance in these States of Washington and Oregon of getting support for the foreign aid bill after we have done for Japan what we have done, if the State Department cannot face the political realities involved in this and get some agreement whereby we are not exporting American lumber jobs to Japan. You are just not going to hold the support, and this is only one example.

AID BILL NEEDS TO BE MORE MUTUAL

You know we have other commodities in which some of the same problems exist, and that is why this mutual aid bill has to be more mutual than it is in order to get the support of the Wayne Morses, let me tell you, in this session of Congress, and I want to say most respectfully to the Secretary that I think this log problem is a perfect example—this is Government timber.

Now, in our State, our legislature was smart enough to pass a bill prohibiting the sale of logs from State lands. I do not need to tell you how politically smart that is. Anybody who has been to a political kindergarten can see through that one.

In the State of Washington they are not going to let timber come off of State lands. But the Federal Government, Agriculture and Interior, hold these public auctions, and your big lumber companies come in, and your little lumber companies come in, and they cannot compete.

Now, there are a few lumber companies that do not care about running their mills, but selling their logs, so they can sell their private holdings. You have big lumber companies like Weyerhaeuser,

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[4] White House Congressional liaison Lawrence O'Brien.

Georgia Pacific, Long-Bell, and that group, they can sell their private timber to Japan and then they can go into some of these auctions and they can replace them from the Government.

But your independent operator cannot because he has no timber. His whole source of timber is Government timber.

Now, you say, well, what has this timber problem got to do with this foreign aid bill? I want to tell you everything so far as I am concerned, it is everything. I am not going to vote more aid to other countries and see my Government export the jobs out of my State. That is just one of the political realities of democracy.

So I want to be, most respectfully and good naturedly, in a position of saying, as I said to Chester Bowles this morning, that you had better get somebody down there in your foreign trade commission who is running for office, who knows what the real basis of our democratic process is. The real basis of it is the voting booth, and let me tell you that the people of this country are not going to be happy in the voting booths if we do not correct some of these gross injustices that I think are developing in this field of foreign aid.

There are many other, several other, examples I wanted to cite, but I have taken more than my time.

I want to at some time talk to the Secretary about Latin America. I could not vote for this bill with the Latin American provisions in it either.

CONDITIONS IN POLAND

The CHAIRMAN. Senator Wiley, do you have any questions to ask?

Senator WILEY. I wonder if, Mr. Secretary, you have seen a letter from Attorney Welch here in the city? Have you read his article?

Secretary RUSK. I was told just as I left the Department that it had come in. I did not have an opportunity to read it.

Senator WILEY. Well, it relates to Poland.

I want to say, as I said on the floor yesterday, that I had been led to the conclusion that the Poles, by and large, were loyal to the West.

Now, here is a young man from Washington who went over there with a Polish fellow who understood Polish, and he makes some very startling statements.

I have a Catholic girl in my office. I gave her a copy of this to give to the hierarchy. So far the hierarchy has not responded. It is one of the most astonishing statements by this young man as to the conditions in Poland, showing how, through the last 15 years or so, that the only people who are left who are loyal to the church are the very old people. The comparison between now and a few years ago when he went to the country, is something tremendous, and in talking with every layer of society, he definitely shows a condition there that, if it is true I, for one, could not vote for any money for Poland or to continue our assistance.

In other words, if the situation there is as he states, and he reaches the conclusion that the reason they are that way is that the Polish people believe that communism will win out, that they do not love us as we thought they did, that they know we are wealthy, and that when communism takes over they will get their share of our wealth.

Now, this is something ordinarily that I would pay no attention to. But the statement itself is so clear and apparently he is a Catholic himself, and not fooled, so I am asking you what the facts are in Poland.

Secretary RUSK. I would like an opportunity to study the article and check it against other sources of information.

A VERY MIXED SITUATION

Poland is a very mixed situation. There are a good many, a great many, dedicated Communists in Poland. But there are also a great many others who are not dedicated Communists, and there are a great many Poles, both Communist and non-Communists, who are very resentful of the extent of the Russian presence and influence in Poland.

I think it is also fair to say that most Poles, although they tend to dislike the Russians, have a deep hatred for the Germans, and the presence of Germany to their west tends to strengthen their relation with the Soviet Union to their east.

I have over the last 4 or 5 years talked to a great many Poles, particularly Polish scientists and scholars who have come to the West on various study arrangements.

I do think that the continuation of relations with Poland in a great variety of ways is to our interest. I think there is a nostalgia in Poland for relations with the great centers of Western culture. I think they feel their Polish nationality still very keenly.

I would not be under any illusion that we are going to cause a break away of Poland from the Soviet bloc in the foreseeable future.

Senator WILEY. I thought that was the situation, and I was so informed. But if you will read this article and, may I say further——

Secretary RUSK. Yes, I would like to.

COMMUNIST EAST GERMANY

Senator WILEY. I asked him what was his conclusion as to East Germany. Let me read what he says:

> However, communism swept through East Germany in a fast period of time. To my absolute amazement I learned during the latter part of my trip, which was spent in East Berlin and West Berlin, that the East German people are more dedicated to communism than are the Russians. In the Communist world the East Germans are considered comparable to the Red Chinese in their dedication to communism, and Russia is as much afraid of a premature international move on their part as on the part of the Red Chinese.

Premature moves, you see.

> Is the same thing going to happen to the rest of Europe, in Africa and what remains of the free Orient, in Cuba and parts of all of Central and South America?

He says:

> If this all sounds a little cloak and daggerish, let me add that all of the basic facts recited herein have been confirmed by American intelligence sources.

Now, if American intelligence sources have this, I want to know it. I do not want to be falling asleep like we have been.

Well, it is the most astonishing thing that I have had occasion to be astonished at in a long time. If you want to take the record——

Secretary Rusk. I should like very much to check that against other sources.

IN CONFLICT WITH OTHER INTELLIGENCE REPORTS

Senator Lausche. Mr. Chairman, may I say that statement is in conflict with what the intelligence agency told us since I have been on this committee. The intelligence agency, as far as I recall, said that there is a historic hatred harbored by the Poles against the Russians.

Senator Wiley. That is what I thought.

Senator Lausche. It goes back 200 years, and that the Poles believe that they have an identity of their own, and want to live as a sovereign people of their own, and I think the intelligence agency told us that they are practically unanimous in their support except the professional politicians, of the West; and I cannot believe, Senator Wiley, that since Poznan in 1956, where there was manifestly a purpose to revolt against the Communists, and it would have spread over the whole country if they had not been suppressed, that there has been any change in 4 years, there has been this change in 4 years, but I do think we ought to find out.

Senator Wiley. He refers to that very thing, and he says he went over there with an entirely different concept, and he is the head of a legal firm here in Washington, and I would not be a bit surprised if you will look at your mail that you have a copy of the same thing that I have.

In my humble opinion it is a matter that does require definite information from the State Department on this subject before this committee passes on this legislation, because he says the East Germans, and he speaks of other sources where he was informed, were under like conditions. But this is his own experience that he gives us, spending days and days talking, visiting with every form of society, you might say, over there. But read it.

Secretary Rusk. Yes, sir.

Senator Morse. Senator Bush has just called my attention to the fact that Nixon's reception in Poland, when he was over there, the two times he was over there, would not seem to support this man because if ever anybody got a favorable reception, Nixon got it in Poland.

Secretary Rusk. Mr. Chairman, I would like to present full information, full comment, on this particular article or letter to the committee.

I must say that it does cut across a great deal of information that we have that we think is reliable about the attitude of the Poles, the East Germans and, indeed, others.

East Germany is still sending more than 4,000 refugees a week through Berlin.

The restlessness in East Germany is one of the things that is in Mr. Khrushchev's craw right now about the German question.

They have been closing down factories and closing schools because their teachers and their specialists have been moving to the West.

I think there is a great deal of evidence in the other direction, but I would not want to, without having read it, to say that this is inaccurate.

Senator **WILEY**. Take it. You can have it.

PERSONAL EXPERIENCES IN POLAND

The **CHAIRMAN**. Does the Senator from Alabama have any questions?

Senator **SPARKMAN**. I would just say this about that statement, I have not read it, it certainly would be shocking to me to find that it was substantiated, and I know how easy it is to go on one of these brief trips and form your own opinions, and certainly I would want to consider it, balance it, against those who have been working on this thing over a long period of time.

I was in Poland in 1955, and I was utterly amazed at the friendly attitude manifested by the government itself.

The Parliament had a committee down at the train to meet me and my wife. I did not even know they were coming, and they insisted on entertaining us. We would not let them, paying our hotel bill and all of those things, and showing us over there.

We were told by our people at that time that the Polish people generally were quite friendly, and that 90 percent of the Polish people were loyal adherents of the Catholic Church, and we were given a very different viewpoint. That was on just a very brief visit. But we were told that by our people in the Embassy there also.

NEW DIRECTION IN AID PROGRAM

I have been disturbed by some of the things I have heard here this morning regarding this bill. There are things about it that I have been concerned with, but I have made my statements, I think, fairly clear in the past.

I am more concerned with the manner in which the program is going to be administered, and I hope there will be some changes from that in the past.

I am glad to see the loan part of the program in different parts of the world. I am glad to have the assurance you have given us that this thing is going to be worked country by country rather than trying to apply regional pattern or anything like that; that we are going to get back into a lot of the grass roots work which, I feel, quite confident, is going to be a new direction in the aid program. I have felt very good over the idea of the administration of it.

There have been some problems that have concerned me.

LATEST DEVELOPMENT IN KOREA

Now, I have not heard much here this morning regarding this latest development in Korea.

Secretary **RUSK**. We did not come back to that.

Senator **SPARKMAN**. I think the questions put by the chairman were quite pertinent as to whether or not our experience in the past has been that our moving into a country and doing these big programs invites the movement in the contrary direction.

I am rather concerned about this development in Korea dating back to the time the elected government was overthrown.

Now, this man comes in, is allowed to stay there 44 days, and a new government with the man behind, who is the power behind him all the time, takes over.

I read in the paper that several ministers of the Chang government, the first Chang government, have been arrested on charges of monkey business with the North Koreans, defections.

What is it going to lead to?

Another thing that disturbs me, and this does not tie into the aid programs so much, but we always are making statements about our stand against dictators. I do not think we always move in that direction, and these military buildups in Turkey, Pakistan, Taiwan and Korea have enabled the dictators to take over.

Is that going to continue and are we going to support those dictators while condemning dictators in other parts of the world?

I have about come to the viewpoint that some degree of strong arm rule is necessary in many of the countries of the world. I think it may be true in some of our Latin American neighbors.

I think it may be true in these new African nations that are coming in.

So—well, that is quite a mix-up.

STRONG ARM GOVERNMENTS

Senator **Lausche** Senator Sparkman, if we concede that strong arm rule is necessary in some parts of the world, and that people cannot adopt a democracy, how can we then follow the policy of not aligning ourselves with strong arm governments that are friendly to us?

Senator **Sparkman**. That is just the point I make. I think there may be some necessity of recognizing that difference, and I would certainly say that those strong arm governments are necessary for a time, and that our work and our program ought to be directed so as to build democracy and to lead to it. But we ought not to insist on their jumping into it immediately before they are ready for it.

Senator **Morse**. I want to take 30 seconds to file a good caveat. If we support strong arm governments, let me tell you, in my judgment, that the masses of the people in that country are going to overthrow them and throw us out, and I think if you start supporting strong arm governments, I think you had better start writing the history of the decline of American civilization.

Senator **Sparkman**. You are doing it in Turkey, Pakistan, Korea, Formosa, and where you are doing it, that is where we are spending the most money.

Senator **Morse**. That is what I think is wrong.

Secretary **Rusk**. Mr. Chairman, may I comment on the last two observations that were made?

The **Chairman**. Yes.

CAUGHT BY SURPRISE IN KOREA

Secretary **Rusk**. I wish we could give the committee today a clear picture of the present situation in Korea. Unfortunately, we cannot because we ourselves do not have it.

But let me just, if I may, sir, remind the committee that Korea, having come out of a half century of Japanese occupation, having lived through World War II, a post-World War military occupation, followed by a decade of rule of Mr. Syngman Rhee, has had almost no experience in anything like parliamentary government or constitutional government.

Syngman Rhee's regime was almost a police state, with some moderation induced by the American presence. But when its elected government came to power we were very hopeful that at last Korea was on the track, on the road, toward some sort of constitutional government.

In fact, it proved to be relatively ineffectual. Its leadership was not vigorous. It was not able to deal with the corruption which has been traditional in Korea for generations, and it was dilatory in getting into the great problems of economic and social development.

I think that if any of us had been living in Korea over these last several years that we would be ready for some sort of violent action ourselves.

When the first military coup d'etat came, as far as our top leadership was concerned, that caught us by surprise.

After it happened, and people down the line looked through hundreds of messages of one sort or another, they might find something here or there that indicated that something like this might happen. But no one thought enough of it to pick up the phone and tell me it was going to happen, so I would suppose that literally we were caught by surprise.

Senator **WILEY**. John was there the day before it happened, and he did not know anything about it.

Secretary **RUSK**. I am sure if we had known it was going to happen we would have advised you not to go, Senator.

Senator **SPARKMAN**. I got out just ahead of the shooting.

HARD TO FIND THE CENTERS OF POWER

Secretary **RUSK**. But our great problem over the last several weeks has been to find the centers of power in that situation.

That sounds like an easy problem, but if you put yourself in the position of the American Ambassador in Seoul trying to establish contact with those who are really running the place, this has been a very elusive problem for him.

We did not hasten to invite the first head of the Revolutionary Committee over for a visit despite the fact that he had announced he was coming, because we had every reason to believe that he was not himself the power, and that if he came here he would probably be unseated while he was sitting in the White House talking to the President.

Well, in fact, that did happen. So far as we can tell, there has been a group of junior officers, field grade officers, many of them in the so-called 8th class of the military academy who were the original core of this revolt. But they have been losing control to some of the older officers who have been coming more and more into the picture.

We do not think that the present makeup of the top military group is stable at all. We think there will be additional changes in the days and weeks ahead, but either there is such a jockeying for power that there is no single focus of power in Korea or we have not been able to find it with the most diligent effort in order to bring our influence to bear on the leadership to the maximum to try to get this situation sorted out.

Now, what is apparently happening there is that the countryside, the farmers, have largely welcomed this change because they have been so upset by the mismanagement and corruption and their general instinctive reactions to those in the cities in any event.

The lower ranks of the civil service are still in place. The revolution has occurred more or less at the top, and their attitude of those who seem to be in command is one of great impatience, recklessness, one of contempt for normal constitutional practices.

We have held up various types of support until we could find out who was doing what, and what their intentions were.

We have tried to press them to move as rapidly as possible toward civilian and constitutional government.

We have been able to get most of the units that were under the United Nations command back under the United Nations command, but this may be only in a formal sense.

This is a very uncertain and unpleasant situation in which we find ourselves at the present time, and I think it would be reckless of me to try to predict to the committee what the situation would be 10 days from now or 2 weeks from now.

TROOPS UNDER UNITED NATIONS COMMAND

Senator **Lausche**. Mr. Rusk, at the time of the military coup five parliamentarians of Korea were here.

We gave a luncheon in their honor. They had no information of this coup, but one of them said, and the others subscribed to that statement, that he could not understand how these troops marched 25 miles from their place of assignment to the place where the coup occurred without Magruder[5] knowing or having—or should have known that that was taking place.

Have you had any information that there is or there was something wrong in the failure to know, that these troops under the United Nations commander were pulled out, marched 25 miles, achieved a coup without the responsible authorities knowing what was going on, and I am talking about Magruder? He did not charge, but he said he could not understand how it happened.

Secretary **Rusk**. I think, sir, that the movement that he was talking about occurred just after the first moves were made in the capital by troops that were much nearer the capital. I think this is——

Senator **Lausche**. I see.

Secretary **Rusk**. This is the probable explanation of that particular remark, because——

Senator **Lausche**. How many troops marched out of the command of the United Nations and marched these 25 miles, do you know?

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[5] Gen. Carter Magruder, commander of U.S. troops in the U.N. Command in Korea.

Secretary **Rusk**. I think that was a portion of a division, but it is roughly 10,000 to 15,000 troops, as I recall, sir.

But the matter was very well laid on, apparently, by these officers. They apparently succeeded in screening it from our people.

General Magruder, I am sure you were not suggesting then General Magruder knew about it and was indifferent to it.

Senator **Lausche**. No, no.

Secretary **Rusk**. Because his reaction was quite the opposite at the time. But it was laid on without real knowledge on our part, and handled skillfully from the point of view of revolutionary technique.

Senator **Lausche**. May I also say that each one present of the Koreans, though they were knocked out of their assignments and were of political complexion opposite to those who perpetrated the coup, made the statement that the perpetrators of the coup were our friends, and that there was no question about it. Every motive should have been to say that they were not our friends, but five or six of them said that they were.

Senator **Sparkman**. I had a letter, and I just assumed that all of us got this letter, from one of them, written from Tokyo, and I don't remember which one it was, in which he enclosed a carbon copy of a letter that he had written to Hubert Humphrey in which he said we ought to do everything we could to get rid of this military government, and apparently they are staying in Japan, at least this one is staying there, not going back home.

I am sure he is one of the five that we entertained.

MILITARY GOVERNMENTS AND POLICE STATES

Secretary **Rusk**. Mr. Chairman, may I make another observation, if I may, on this broader problem of military type governments?

I would urge that the committee think about this problem in specific cases rather than as a general problem.

In Pakistan, for example, you have a military man at the top, you have a suspension of normal parliamentary processes. But you do not have in Pakistan a police state. You have there a government which is more likely to get on, in fact is showing every sign of getting on, with economic and social development more effectively than any government that Pakistan has had since the war.

There are some circumstances in which the military are a moderating factor.

The principal counterpoise to Duvalier, for example, in his group of secret police thugs in Haiti, is in the armed forces, and I would think the future of Haiti is, to some extent more assured because there is an armed force there capable of counterbalancing to some extent this rival group of the secret police, than it would be if they were not present.

In a country, in many of those countries, where you do not have long traditions of established civil government, the military are one of the few foci of power, and if things get upset, get disturbed, if popular discontent makes it impossible for civilian governments to operate, this is one of the foci of power that comes into play.

But the circumstances in each country vary so that I would think that we would have to look at it in the anatomy of the particular country rather than as a general proposition, because roles vary from country to country.

Senator **Lausche**. Is that the principle you are applying to Indonesia?

Secretary **Rusk**. I am glad there is a substantial and significant military establishment in Indonesia because, in the long run, my judgment is that the prospects of a moderate Indonesia emerging from this situation depend upon the leadership of the armed forces, the types of training they have had, much of it in the United States, on a quiet basis, and their ability to assume responsibility if the PKI makes a move to take over.

STEVENSON ON LATIN AMERICA

Senator **Morse**. Mr. Chairman, I want to refer to the testimony of Ambassador Stevenson. We are not going to be able to go into the question of Latin America, but because of what you have been saying about the military, it disturbs me so much. I want to point out that in his testimony before the committee the other day he said:

> Venezuela is still in a state of seige with continuing fear of a right-wing coup, although there are heartening indications that the conservative elements in the business, financial communities, and the army are now recognizing the importance of supporting democratic institutions and that President Betancourt should finish his term and establish constitutional democracy, they hope.

Then I skip, and he went on to say:

> I might say here that I was visited, somewhat confidentially, by the Chief of the Air Force who told me that the Army and the Services could overthrow the President if they wished, and that while they had not agreed with all of his program and had attempted to take such measures, they had concluded, the senior officers had met and concluded, they were not going to interfere and to permit him to finish his term,

which, I think, is very nice of them.

Then the Ambassador said:

> I was similarly visited by leaders of the business community who, some of them within the last few months, had signed a manifesto calling for his resignation, and they said they, too, had now reconsidered the whole business and they concluded it was in the long-term interests of Venezuela that they did not exercise the power they had.

There are many other quotes that, at a later date, I want to go into, but I want to make this point here. This does not recommend military aid for internal security to Venezuela.

Whom are you going to be supporting? You are going to be suporting a group who are telling your ambassador, "We are going to let this fellow, at our sufferance, gc head and finish his term."

What are they going to do when he finishes his term? What are they going to do with the arms we send them for so-called internal security after he finishes his term or before?

OPPOSING ARMS FOR INTERNAL SECURITY

All I want to say, Mr. Secretary, is that I have talked to a considerable number of ambassadors, and I can give you the details of it later, but two of them pleaded with me not to change this policy on arms for internal security; that the worst thing we could do would be to give them arms for internal security, because you cannot trust the military. They can change very quickly.

Mr. Upton had a group of Latin American representatives in to prepare the agenda for the Uruguay Conference, and they had me down there the other night, and I spoke very briefly, and we discussed this military matter.

All I can say, Mr. Secretary, is that I was beseeched by them when that meeting broke up to do everything I could to change this policy in regard to arms to Latin America.

They do not understand why we have sort of shifted our position in this country with regard to arms to Latin America, because it not only will play into the hands of the Communists so far as propaganda is concerned, but it will play into the hands of their military. They are frightened by what their military can do, and it will play into this competition for arms in Latin America. Yet we get this foreign aid bill up here that proposes to lift the requirement that a group of us wrote into this bill several years ago, of the President personally reviewing and checking this matter of arms for internal security, and reporting to the Congress.

I am convinced from the number of people I have talked to from Latin America that they want that check in there, and they do not want this increase of $55 million to $68 million—they want that difference to go into real economic assistance because they say that is the way to beat the Communists in Latin America.

I am concerned about the Stevenson testimony. It is following a line that, in my judgment, you cannot reconcile with what I think the elements in Latin America who really want to establish freedom there desire.

Now, he talks about this proposal of having more military training in the army engineers type of work that Senator Fulbright and I got adopted as principles in the present bill.

But that has nothing to do with arms, and I was not here, and you cannot get him back before the committee—at least make some communication to the President.

If I had been here I would have tried to ask Mr. Stevenson to reconcile this kind of a program, which I am all for, with the proposal to increase arms for internal security.

You give this military the arms for internal security in many Latin American countries, and they are going to use it for coups, and that is what many of the people down there are afraid of, and that is why I say, Mr. Secretary, before we come to a vote on this, we ought to have some prolonged discussions about this matter because, and I hope you will not misunderstand this statement, it so happens that some of us on the subcommittee on Latin American affairs are able to get from some of these people, some of these embassies, in Washington, and spokesmen, some information that they feel they cannot tell you because it would be looked upon as some kind of intervention.

But when I get the kind of reaction I got down at the Metropolitan Club the other night, I just become more certain the policy I have been following on reducing military aid and increasing economic assistance is absolutely sound in Latin America.

HARD DISTINCTIONS TO WRITE INTO LAW

Secretary RUSK. Mr. Chairman, I hope we can go into that thoroughly in the committee. I think that the difficulty, Senator, is to draw the line between situations where military assistance strengthens the hands of a dictator in a society where we are working, trying to work away from dictatorship and, on this other side, internal security assistance to countries that are directly threatened by the Castro kind of thing.

Now, this is a hard distinction to write into law. It is something that has to be worked at in each individual situation. But we have to find some way to deal with both of these problems.

Senator MORSE. That is why we wrote the Presidential check into the law. He has the power to deal with it. He not only has his emergency fund, but he also has the military aid funds. But it is proposed in this bill that even that check be taken away and, rightly or wrongly, there are some of us who have not any too much confidence in the attitude of our own Pentagon Building in regard to building up military forces for foreign governments abroad.

I have great concern about the position our own Pentagon Building takes in some of these matters, particularly in Latin America.

I listened to our military officials the other day, and as far as I am concerned when I got through listening to them, they convinced me I should vote against the bill.

OBSERVATION ON MANAGEMENT

Senator SYMINGTON. Mr. Chairman, I should like to make one observation, in speaking about the military, with respect to the management of this program.

When Mr. Wilson came down here he forgot that Government was different without a profit motive, different from business, and he increased the number of Secretaries very substantially.

When you and I were first together in the Pentagon, I think we had 8 Secretaries, and it was a pretty good setup. It won the war.

I notice in this program that you are going to have 13 more Secretaries to start out with. How many Secretaries have you got now?

Secretary RUSK. You mean——

Senator SYMINGTON. Secretaries, Under Secretaries; you have 2 Under Secretaries?

Secretary RUSK. We have 2 Under Secretaries, 2 Deputy Under Secretaries, and 11 Assistant Secretaries.

Senator SYMINGTON. That is before this bill?

Secretary RUSK. That is correct.

Senator SYMINGTON. So that would be a total of 16.

Now, under this bill, in effect, you are adding 13 more. It would be a total of 29.

Secretary RUSK. Well, in the aid organization these are, in effect, relative ranks. Your Assistant Administrators would be ranked along with Assistant Secretaries.

Senator SYMINGTON. My greatest complaint about Washington for many, many years, is that every time we have a problem we form a new board, a new committee, a new bureau.

In reading the bill from a management standpoint, you have a total of 13 more Secretaries you are going to add. I do not know whether it is a compliment, but you are going to pass the Pentagon, even though the amount you——

Secretary RUSK. Senator, these are, from a management point of view, two separate organizations, and the problem is, and I have met with a good many people already trying to find the right people. I am going to New York shortly to talk to some others, to talk about getting the right people in some of these top jobs. The problem is to recruit the kind of people in these jobs that not only would do a good job in management and direction, but would have the confidence of both the executive and the legislative branches.

You cannot recruit people without telling them what the job is and assuring that they will have a responsibility for getting their job done, and the pay has a bearing on that, the relative rank has a bearing on that, and this is why we have set up these particularly 9 top jobs on this basis.

Senator SYMINGTON. I am correct then in feeling you gave this thorough consideration?

Secretary RUSK. We did, sir, and the great feature, the impelling factor, is that of trying to go out and get the kind of people you want to come in and take on these jobs.

COMPARTMENTALIZATION OF PEOPLE

Senator SYMINGTON. My impression over recent years in traveling has been that the greatest weakness in our picture from a management standpoint was the compartmentalization of various people in a particular capital, whether it was Africa or even in Europe.

Secretary RUSK. Right.

Senator SYMINGTON. They sort of built their own bailiwick, and did not like anybody to interfere.

I notice you have made some moves already along those lines—where the Ambassador is to be the authority which, I think, is very fine.

Secretary RUSK. That is correct, sir. We tried to emphasize very strongly that the Ambassdor is in charge of every official activity going on in his country, and we look to him to be responsible. Directly under him in countries where there is a substantial aid mission, there will be under him a Director of the aid mission who would have full charge of the aid program.

We hope very much we can simplify this multi-agency representation abroad.

Senator SYMINGTON. Can I ask a question from the standpoint of management?

Secretary RUSK. Yes, sir.

GETTING AROUND THE AMBASSADOR

Senator SYMINGTON. Suppose the man who is representing the administration of this program disagrees with the Ambassador's position. Can he go around the Ambassador to talk to you about it?

Secretary RUSK. Well, we have told our Ambassadors that they should advise us of differences, of serious differences, on important questions that might arise in this sort of relationship so that we, in Washington, could be advised of the pros and cons of a particular point of view, just as if one of my own subordinates felt very strongly that something that I was about to recommend to the President is wrong, I would feel an obligation to let the President know that one of my senior advisers thinks this is wrong, and I would then present the reasons why I would make the recommendations.

Senator SYMINGTON. Is the relationship between the Under Secretary for Economic Affairs, Mr. Ball and, at least in the loan field characteristics of this operation under Mr. Labouisse, is that clear enough to be put down on paper from the standpoint of job classification?

Secretary RUSK. Yes, sir. I can file a little note for the record on that. But the AID Administrator will report directly to me, and I will have a person in my own office to follow these aid operations throughout.

If issues arise, as they undoubtedly will from time to time, between the political bureau, for example, and, say, the Assistant Administrator of AID, those would come up to the top of the Department, into our morning meeting for discussion and resolution.

At that point I would feel free to get the advice of anyone in the Department who can contribute to it, including the Deputy Under Secretary for Economic Affairs.

Senator SYMINGTON. You say you will have somebody in your Department who will be looking after this program. Will that be in addition to Mr. Labouisse?

Secretary RUSK. I will have an immediate assistant who would help me follow aid, both on the economic and military side.

Senator SYMINGTON. What will be his position with respect to Mr. Labouisse?

Secretary RUSK. He would have no formal position. He would simply be my personal assistant to assist me in my own personal responsibility in this work.

Senator SYMINGTON. I see, strictly a staff man.

Secretary RUSK. That is correct, sir.

Senator SYMINGTON. Thank you.

The CHAIRMAN. Senator Aiken, do you have any questions?

REDUCTION OF AGRICULTURAL PRODUCTION

Senator AIKEN. Mr. Secretary, I could not be here to hear all your testimony. I have been sitting in on a meeting of the Committee on Agriculture.

You work very closely with the Secretary of Agriculture?

Secretary RUSK. We do through our respective colleagues. I see him.

Senator AIKEN. Your Department works quite closely together with his?

Secretary RUSK. Yes, sir.

Senator AIKEN. And you are in full agreement with their efforts to sharply reduce agricultural production in the United States?

Secretary RUSK. Well, as a member of the administration I support the policies of the administration. I have not myself entered into the details of that program.

Senator AIKEN. Very well.

You are always aware of what those policies are, I suppose?

Secretary RUSK. In general, yes, sir.

Senator AIKEN. As far as agriculture is concerned?

Secretary RUSK. Yes, sir.

Senator AIKEN. Well, I think you are better informed than some of the members of the Agriculture Committee anyway, if you are.

CANADIAN EXPORT ORDERS

Has Canada approached you yet in regard to getting surplus wheat to help fill their export orders for the coming year?

Secretary RUSK. I am not aware of it, sir.

Senator AIKEN. Would you be aware of it? Would they come to you or would they go to Agriculture?

Secretary RUSK. I think in the first instance they would probably inquire of Agriculture, but we would be drawn into the discussion.

Senator AIKEN. Yes. You are aware of the reports that Canada and the Canadians have probably oversold on wheat for this year?

Secretary RUSK. That has not come to my attention.

The CHAIRMAN. Is that your information?

Senator AIKEN. It has been in the papers.

The CHAIRMAN. I did not see anything.

Senator AIKEN. They have already sold 400 million bushels of wheat for delivery.

Senator SYMINGTON. To whom?

Senator AIKEN. They require 150 million bushels for their own use; that Saskatchewan, Alberta, Manitoba have extremely short crops, and in some areas no crop at all, and in prospect, and the rumor had been going around that they would be coming to the United States to get surplus wheat.

The CHAIRMAN. On a grant basis?

Senator AIKEN. And there is more to the rumor, which I can hardly credit, that they would plan to pay for the surplus wheat with lead and zinc. That was going a bit too far.

Secretary RUSK. That had not come to my attention.

Senator AIKEN. Although some weird things had happened, that would be going too far.

But I am very much worried and, frankly, I just would not agree to our country making commitments to feed other people for 3, 5 years in advance and, at the same time, the administration is making every effort to reduce production in this country to what I think is an extremely dangerous level.

The day before yesterday the Secretary of Agriculture shutdown on the export program, subsidized export program, for oats and barley on the ground that there would be a short supply.

Today he asked us to enact legislation providing for a compulsory reduction in the production of barley in the United States next year. If you can figure that one out you are better than I am.

CHINESE MARKET

Senator **Symington**. Don't you think it is logical, if the Canadians have sold 400 million bushels to the Chinese Communists, and now they find they cannot deliver, for them to get it from us, and they then sell it to the Chinese for a profit?

Senator **Aiken**. And the Chinese will sell their soybeans and their other production to other countries for a profit.

Senator **Symington**. That is consistent don't you think?

Senator **Aiken**. I am fully aware that Red China is potentially the biggest market for wheat in the world today.

Secretary **Rusk**. I cannot imagine that the Canadians would approach us on a gift basis.

Senator **Aiken**. You cannot let ideologies interfere with business at all.

Senator **Symington**. Not with anybody else's business but ours.

U.S. RELATIONS WITH COMMUNIST CHINA

Senator **Aiken**. I suppose you have already explained to the committee what our relation is, whether our relationship to Red China, is undergoing any change or not. All we know is what we read in the papers, and I do not always believe what I read.

Secretary **Rusk**. Senator, I would be very happy to comment further on that.

There has been no changes since my last discussion of that question with this committee.

First, I might make a brief observation on these recent press reports about an alleged split between Peiping and Moscow.

I would advise the committee to treat with great caution this alleged document that was presented in the Washington Post yesterday in an article by Mr. Isaac Deutscher from London.[6]

That had many of the earmarks of unreliability, so I would not take that too much to heart.

But, on the other hand, there are a number of signs of some stresses and strains between the Moscow and Peiping Governments. We have officially made little or nothing of them for two reasons: One is we feel if we take them up officially and attempt to make any profit out of them, that this will reduce the chances of friction between the two, and that our best play at the present time is to be quiet.

But, second, we are not at all convinced that that split has gone far enough to make any substantial difference on important clashes of interest between ourselves and the Sino-Soviet bloc.

But, on the other hand, there are many signs of at least irritations and some serious strains between Russia and China, Peiping and Moscow, which we are watching very closely.

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[6] On July 5, 1961 the Washington Post ran a banner headline on its front page: "K Breach With Mao Reported: Premier's Letter to Leaders Said to Charge 'Disloyalty.' " Reprinted from the (London) Sunday Times, the article by Isaac Deutcher was drawn from a letter sent by Khrushchev to the headquarters of several foreign Communist parties. It reported that: "A new and momentous quarrel has broken out between Russia and China, and Premier Nikita S. Khrushchev has been directing a hurricane fire of accusations against Mao Tse-tung," which threatened to bring their "semi-secret dispute" into the open.

On the question of recognition, there is no possibility, I suppose, in the foreseeable future that this is an active question between Washington and Peiping. Quite apart from any problems that we might have on it, Peiping has made it repeatedly clear in our talks in Warsaw, that they would not themselves be interested in any normal relations with us until we abandoned Formosa, so that that question is simply in the deep freeze.

A U.N. SEAT FOR CHINA

The question of the U.N. seat in the United Nations is a much more difficult one.

Our delegations to the United Nations have been warning the Department for the last 2 or 3 weeks, with increasing emphasis, that the so-called moratorium formula is running out; that we must confront the fact that the members of the U.N., that at least a majority of the members of the U.N., will not be willing indefinitely to simply put the question off without discussion and, indeed, as we look over the tallies for the forthcoming session of the General Assembly, we think that it is most unlikely that the moratorium formula would get a majority vote at the General Assembly.

Now, this is not something on which one can speak with finality because events between now and then could make a difference, and some governments have not made up their minds, but at least we know that the moratorium formula——

Senator **Symington**. Which is what, exactly?

Secretary **Rusk**. Which is simply a vote at the beginning of each session, Senator, that the General Assembly will put this question off until the next Assembly.

This has been going on for 10 years, 11 years, but it has had diminishing support over the last several years.

The votes in favor of the moratorium have remained relatively constant, but with the increasing membership of the U.N., the votes against and the abstentions have been growing so that this is a very hazardous matter on which to rely.

Now, the problem arises because a 51 percent majority of the General Assembly could, in fact, seat Peiping and exclude Formosa on a procedural vote.

From a purely parliamentary point of view, there is no sure way to block that action.

So that our problem is we have to find some way in the parliamentary situation to prevent this question being settled as a purely credentials question on a procedural vote in which 51 percent of the membership would decide it.

The **Chairman**. Haven't we in the past taken the position that it is procedural?

Secretary **Rusk**. Well, we would not be able to argue, Mr. Chairman, that if it came to a vote on credentials that that was other than a procedural vote. It would be difficult to make that argument, and in any event on the question as to whether it is procedural or substantive, a 51 percent of the vote would decide that question, so you are subject to the parliamentary command of a 51 percent majority.

SECURITY COUNCIL AND GENERAL ASSEMBLY

Senator **Symington**. Could the 51 percent majority put them on the Security Council?

Secretary **Rusk**. No, sir; that is a different problem. We are concerned at the present time largely with the General Assembly, because that is where the question of the moratorium will arise, and there is also the question of, the possibility of, a veto by the Chinese Government on Formosa. These are very complicated questions.

Senator **Symington**. If you eliminated Formosa, with a 51 percent vote from the General Assembly, there is no way it could stay on the Security Council by a veto?

Secretary **Rusk**. Yes, sir. You could have one delegation of China seated in the Assembly, and another delegation seated in the Security Council. It would be anomalous, but that is the way the question falls.

So we are now considering the various parliamentary moves that are open to ensure that Formosa retains a seat.

We are not sure that Peiping would not be willing to accept a seat or would not press for admission under those conditions, that is, if we concentate on retaining the seat for Formosa.

Peiping has emphasized over the years and Khrushchev emphasized as late as Vienna, that Peiping would not come into the United Nations if Formosa were there, if this business of claiming Formosa is so fundamental to them.

Well, there are a variety of possibilities. One would be not to make a major fight on the moratorium if it seemed certain to lose, to let the matter go in for normal debate on its merits, and then to make the argument that this is an important question because of its wide political ramifications, and would have to be settled on a basis of a two-thirds vote in the General Assembly. That is one possibility.

Another would be to take action through a resolution which would ensure that whatever the decision is on the matter that the Government of the Republic of China on Formosa retains its seat, and we think that might bring this to an end, if there were some decision made in that direction.

But we do not have a single, that is, a single specific American plan at this stage. We are consulting with other governments about the parliamentary situation to see how this question might be handled.

THE PROBLEM IN OUTER MONGOLIA

Now, this is connected, both of these points I just made, the split between Moscow and Peiping and the situation in the U.N., both of these parts are connected, with the problem in Outer Mongolia.

For some time the Department and the intelligence agencies have felt we ought to have some representation in the capital of Outer Mongolia.

This is related both to the signs of Sino-Soviet rivalry, to signs of some reviving nationalism in Outer Mongolia itself, and some of the obvious advantages of having American personnel stationed in what has been for many years a vast desert of direct information and presence.

It is also connected with a situation on the Chinese seat in the U.N.

Once again the Soviets have tied admission of Outer Mongolia to another admission. They did so with respect to Japan some years ago. Now they have tied it to Mauritania. Now, the African states, particularly the French-speaking African states, are extremely anxious to get Mauritania into the U.N. as quickly as possible, in part, to head off any further moves by Morocco to claim Mauritania.

These African states have said that if the delegation, the delegate, from Formosa, vetoes Outer Mongolia in the Security Council, that all of them will vote against the Government on Formosa with respect to its own seat, in other words, there are from 10 to 15 votes at stake in this question of Outer Mongolia.

Now, we have had, as the committee can imagine, some very serious problems with the Goverment on Formosa on this matter. Some of the people down the line and some of the people abroad, see the practical political problems that are involved here. But the President, Chiang Kai-shek, has a very single and simple theory of the case, that is, that his government is the government of all of China, and that anything that suggests that this is not so is unacceptable.

In 1946 he himself recognized the independence of Outer Mongolia in a treaty with the Soviet Union, and voted for its admission to the United Nations.

In 1953, his government denounced the Sino-Soviet friendship treaty in which the Chinese had recognized the independence of Outer Mongolia, and now assumes that by denouncing that treaty he restores Outer Mongolia to its earlier status, as though the House of Commons, as though Parliament, by an Act of Parliament, could return the United States to its status of colonies.

In 1955 President Eisenhower strongly urged the Generalissimo not to veto the admission of Outer Mongolia for membership in the U.N., and he refused to do so.

He still refuses to, not to veto Outer Mongolia. So we are in the, quite frankly, position, both on the question of the handling of the U.N. seat and the question of a problem like Outer Mongolia, we are in the position of trying to find some way to save a man who does not want to be saved on these issues.

If he is going to play it all or nothing, if he is going to force the United Nations to accept his theory that he is the government of all of China, and that is the end of the story, and the only question is who is China, then the U.N. is very likely to seat Peiping and throw out Formosa.

So we have had our problems with the Generalissimo in the last few weeks, and the Senate will be hearing more about it.

U.N. OPPOSITION TO SEATING PEIPING

Senator MORSE. Mr. Secretary, for whatever it is worth, and I would like to get George Aiken's view on it, too, based on my United Nations' experience last fall, my guess—that is about all you can do, but I hope it is an intelligent guess—is that if the moratorium is lifted by a 51 percent vote it will not result, at least in the first year, in the admission of Red China.

I think you will be surprised what that debate will produce and what that discussion will produce, and the number of votes that you will get after you have had the debate on the merits for various procedural motions, a motion to postpone, a motion appointing a United Nations Commission to study it.

You see, many people disagree with me on this, the lifting of the moratorium would put this right on the back of the United Nations and take it off the back of the United States. We are not going to carry this load much longer, but putting it on the back of the United Nations does not mean at all, in my judgment, that they are going to vote Red China in. I doubt if they will vote it in for several years, that is my hunch.

I think your analysis of the procedural and parliamentary situation is just unanswerably right.

Senator Aiken and I covered that in our report to the Senate. In essence, that is what we said.

Secretary **Rusk**. I think, Senator, there is a real possibility that after the debate on the merits you would not have 51 percent of them then seating Peiping.

Senator **Morse**. That is what I mean.

Secretary **Rusk**. But I mean, for example, President Quadros has indicated that he was opposed to the moratorium, but he has not stated that he would vote for the seating of Peiping after it was debated on the merits.

There are those who think that it has been increasingly undignified to support the moratorium which, in effect, has said that we are not even going to think about the merits of this problem. But it could be risky so that we cannot rely on just that either. We have to think of these other parliamentary possibilities.

Senator **Morse**. Yes.

RECOMMENDATION ON THE DIRKSEN AMENDMENT

The **Chairman**. In that connection, what is your attitude, your recommendation, to the committee with regard to the Dirksen amendment he proposed to this bill?

Secretary **Rusk**. Mr. Chairman, the problem is not one in differences of policy as to what the objectives are on a resolution of that sort at this stage and under present circumstances.

The problem is one of flexibility at the U.N. to be able to handle it up there in a way that would achieve the results we want, and I think that a resolution which did any more than sort of express the sense of the Congress, which would commit him to a single narrow or frozen point of view, could be embarrassing at a later stage.

I would think the more general language which is in the aid bill, which was in the bill last year, or some general language such as Senator Mansfield was talking about, would be acceptable in that it would leave us some flexibility.

The **Chairman**. Well, Senator Dirksen put this in his resolution,[7] and it is my understanding if we would vote it—was it a concurrent or joint resolution? It is a concurrent resolution. We could, if you think it would be wise, handle it as a separate resolution and not put it in the bill.

He has written a letter and said that if we did not act on it, he was going to offer it as an amendment to the aid bill on the floor, and I said——

Senator **Aiken**. And it would pass.

The **Chairman**. I said, my first reply was, that I had submitted it to the Department and had not yet received a reply from the Department. We have not yet, have we?

Mr. **Marcy**. Yes.

Secretary **Rusk**. But it was a noncommittal reply at my request because I was coming up here.

CLOSING UP A PARLIAMENTARY DEVICE

The Chairman. What is your answer, shall we vote this out as a concurrent resolution? It will not commit the President as an expression of the Congress, or do you want to run the risk of it being put in on the floor? It could well be put in on the floor, whether this committee likes it or not.

Secretary **Rusk**. I think if the Senate Foreign Relations Committee and the House Foreign Affairs Committee understand themselves the nature of the problem and will be understanding when the shouts begin to fly next autumn, that a sense of the Congress resolution would not be too difficult. But I am, frankly, a little disturbed about language which would indicate that the Government of the Republic of Formosa is the sole government of China because this may close up one of the parliamentary devices by which you shift this impasse from one situation to another.

Senator **Aiken**. The reason I brought up the question of China, Mr. Secretary, is because of the increasing number of stories in the press indicating the hardening of our relations with Formosa and a softening of our relations with Red China. I do not know where they originate from or what the purpose is, but the effect has been to make a lot of people feel that we may be getting ready to shift our connections from Formosa to Red China, we may be getting ready to get in bed with them.

Secretary **Rusk**. This is not the case, Senator.

Senator **Aiken**. No, but it is the impression that is given.

Secretary **Rusk**. I will find an early opportunity to try to clarify that. But, as you and Senator Morse know from your direct experience up there, you have to have some capability of dealing with problems that arise in the U.N., and the way they arise.

CHIANG IS NOT THE GOVERNMENT OF ALL CHINA

Senator **Morse**. I would like to say, Mr. Secretary, I cannot imagine a more unfortunate position for us to be forced to make in the United Nations than the writing into law of a requirement that we must recognize Nationalist China, the Nationalist Chinese Government as the government of all of China. They would laugh you out of court because the overwhelming majority of the membership in the United Nations know that that just is not so. Chiang never can be the government of all China. He has not a chance, and he is not the government of all China. They know that, and he is the Government of Formosa, whatever that is.

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[7] See Appendix A, page 675.

Secretary **Rusk**. When earlier administrations tried to free Americans held on the mainland, they did not go to Formosa, they got in touch with Peiping.

Senator **Morse**. Of course.

The **Chairman**. Would you give some thought to that? Perhaps it would be better if we took the resolution and voted it out as a concurrent resolution and let it go, and avoid having it attached to this bill.

Senator **Aiken**. Does a concurrent resolution have to be signed by the President?

The **Chairman**. No. A joint resolution does, a concurrent resolution does not.

Senator **Morse**. Vote it out in that form, Mr. Chairman.

CUT OUT SOME OF THE WHEREASES

The **Chairman**. I would like to cut out some of the whereases. I do not like whereases.

Senator **Morse**. How can we vote out a resolution that it is the sense of the Senate that Chiang is the government of all of China?

The **Chairman**. It does not say that.

Senator **Sparkman**. It does not say that.

The **Chairman**. Some of the whereases could be interpreted that way. I think if you took most of the whereases out and just had the language of the resolution itself it would merely be reaffirming the——

Senator **Sparkman**. Isn't it true that when a resolution is passed with all those whereases in it, in its final enrollment the whereases are dropped and are not part of the legislation?

Senator **Aiken**. I believe this was agreed to by the leadership on both sides of the aisle, was it not?

The **Chairman**. Well, it was passed several times. I asked him why he was not content with the one passed, but he said——

Senator **Morse**. Here is what he said in this resolve clause:

> That it is the sense of the Congress that it supports the President in his affirmation that the United States shall continue to meet its commitments to the people and the Government of the Republic of China and shall continue to support that Government as the Representative of China in the United Nations.

The **Chairman**. In the United Nations.

Senator **Sparkman**. Representative in the United Nations.

Senator **Morse**. You cannot represent China in the United Nations unless you are the Government of China.

The **Chairman**. It is subject to that interpretation, I agree.

Senator **Morse**. That is the interpretation put on it.

Secretary **Rusk**. There was in the original language, I believe in this resolution, the expression "the sole government of China in the United Nations."

The **Chairman**. Yes.

UNREALISTIC IN TERMS OF MANEUVERABILITY

Secretary RUSK. In terms of the problems we face internationally in dealing with this, this, I think, is a little unrealistic in terms of our maneuverability to achieve a purpose that we share with the Congress.

My suggestion, in an informal conversation, somebody talked about possible language was——

The CHAIRMAN. Why don't you think about that and send me a copy. I do not want you to have to do it right now, waste your time, and it is late. If you care to, just submit an informal suggestion as to the language. It might be wise, I am not sure it is, but it might be wise, to just pass that out as a concurrent resolution, as we have in the past. I hate to get this bill entangled with any kind of irrelevant matters, if we can.

Secretary RUSK. If that could be done as a concurrent resolution without attaching it to the aid bill, it might be better.

The CHAIRMAN. It might be better.

Secretary RUSK. Mr. Chairman, may I——

Senator AIKEN. I was going to say if this is offered as an amendment, there would be very few votes against it.

The CHAIRMAN. That is right.

SHOW THE UNITY OF THE COUNTRY

Secretary RUSK. Mr. Chairman, may I make some comments on an earlier observation of Senator Morse. I hope, Senator, we can in this room work all the problems on the aid bill because I think it is of tremendous importance in the present state of world affairs, and when this aid bill gets to the floor, that it gets strong support, and that it show the unity of the country, and if we seem to be acting reluctantly in this present situation, I think the consequences abroad, and particularly, in Moscow these days, could be quite eloquent.

Senator MORSE. No one wishes that more than I.

Secretary RUSK. I would hope very much that we can take up all these questions and work them out. This is not a monolithic take-it-or-leave-it sort of proposal. If we work this out in the quiet of the committee room, and then have something we can go to the public with and act on promptly, and with as much support as possible——

Senator MORSE. There is not a single dispute that cannot be settled by working out some common area of agreement.

Secretary RUSK. All right, sir.

Senator AIKEN. Work one out with the Department of Agriculture while you are about it, too.

REALIGNING U.S. OBLIGATIONS

The CHAIRMAN. I do not want to quit without hearing your comment on the question I put about the broad policy of whether or not you are committed firmly to the pursuit of this assistance to these various countries that have taken so much money or whether you would consider some realignment of our obligations, with greater emphasis upon Latin America and Africa and, maybe, the Middle East.

Secretary RUSK. Mr. Chairman, I do not think anyone deprecates more than I do the relative inattention given to Latin America since World War II in such fields as economic and social development.

Some of us in the private field over the years have given first priority over that area because we felt that was of the utmost importance in the long run.

But I do not think, sir, that the matter can be dealt with simply by shifting from one area to another.

In the Far East you have an active battleground of very serious proportions. It is not just $4 billion that we put into Korea, we have put $25 billion in addition in the Korean war into Korea.

I do think that we have to consider the problem as to what our attitude is toward the spread of communism by the most direct and most obvious indirect aggression on the other side of the Pacific.

We have a very heavy commitment to Western Europe but, on the other side, we are a Pacific power and we are interested in what happens in that ocean.

During World War II we agreed with our allies that we would give first priority to the European theater. But the second priority theater in the Pacific defeated Japan before there was any serious redeployment from Europe.

In other words, it was a second priority but it was a very heavy and strong second priority, and I must say that I am deeply concerned about any thought that we would, by not doing enough, yield positions such as Korea or Southeast Asia to a Communist take-over.

I think we have to make that struggle. We cannot guarantee that we can win that struggle without the intrusion of American forces, but this is the object, to try to win it without the necessity of using American forces out in that part of the world.

It is going to cost money and we will have a good many disappointments, and there will be frustrations. But I think we have to make the effort; but I also think we have to turn around and step up very sharply our effort in Latin America and in Africa.

STEP UP SIZE OF THE AID PROGRAM

The CHAIRMAN. Then you mean we should step up the size of the aid program?

Secretary RUSK. Well, that is——

The CHAIRMAN. How else are you going to do it?

Secretary RUSK. The present aid program is being stepped up this year in our proposals.

The CHAIRMAN. What would you do if it were cut $500 million or $1 billion. Where would you apply that cut?

Secretary RUSK. I think we would have to apportion that cut in different places. I do not think we could take all of it out of any one area, but I think it would cut us down sharply and in several areas.

The CHAIRMAN. Well, coming back to Korea, I do not quite understand it. You said we had $25 billion. You feel this is an investment in this area that under no circumstances we could consider giving up?

Secretary **Rusk**. Well, I would not think of the $25 billion——

The **Chairman**. In other words, if you had any cut you would still keep Korea? In other words, you would still give it its support as set out in the program?

The cut would have to come someplace else?

Secretary **Rusk**. I think we ought to do our best to keep South Korea from being absorbed by the North Koreans.

The **Chairman**. Would you explore for a moment just the reasoning as of the present time that would lead to that conclusion. I would like, just as carefully as you can, to know why you believe this is really necessary for the security of this country.

Secretary **Rusk**. The reasons are, well, first, we would have to decide whether we feel that South Korea would be under Communist pressure in an attempted Communist take-over.

EFFECTS OF A COMMUNIST TAKE-OVER IN KOREA

We feel if Korea were left unprotected this would surely happen, so that we would have to consider the effects on American security of a Communist take-over of the Korean peninsula.

My own view is that if we were to permit that to happen that the American security interest in the entire Pacific basin would be in the first instance very severely undermined.

The **Chairman**. Why would that be so?

Secretary **Rusk**. Because countries like Japan and Formosa and other countries of Southeast Asia would themselves decide that they must come to terms with Peiping and that they must adjust their positions to Peiping and——

The **Chairman**. You mean join the Communists?

Secretary **Rusk**. I think that there would be little doubt—I would start with Southeast Asia in this respect, there would be little doubt—that within a relatively few years Southeast Asia would be Communist; that the force that stands between the Communist bloc and further expansion into Asia is the United States, primarily and, secondarily, other Western countries.

I think this would influence the attitude of countries right around the rim of the Sino-Soviet bloc.

I think we are under a special pressure on a point of this sort because we in this country live in the junior hemisphere, and if we let these successive acts of aggression take away the independence and the freedom of action of the countries of South and Southeast Asia and Africa——

The **Chairman**. Do you mean that Korea, the loss of Korea, means that all of Africa and India and all Southeast Asia falls automatically into the hands of the Communists?

Secretary **Rusk**. Not automatically, sir. It is a matter of giving additional momentum to the Communist effort which is being expressed in almost every continent, building on the notion that they are the wave of the future, undermining the confidence and the determination of the free world to protect its freedom, undermining confidence in the commitments we have made right around the globe, on just this point.

IS KOREA THE KEY?

The **CHAIRMAN**. And Korea is the key to this, is it? I do not quite follow it, frankly.

This is a God-forsaken little place here that we have seemed to make a symbol of the free world, and I do not quite follow why that is so. You skipped Japan.

Do you think tomorrow if Japan thought that we were planning even to recommend that South Korea be a neutral and possibly go the whole way, she would come under the domination of North Korea and the Communists, that she would then just give up the ghost and think there was no future for her? I do not quite see why this would be so.

Secretary **RUSK**. I think Japan would move very fast toward the Communist bloc under those circumstances.

The **CHAIRMAN**. You mean join the Communists? What do you mean by moving toward them? When you say just move toward them, you mean they will join them and become a satellite of China; is that what you mean? If you do, say so, I am just trying to understand what is the reason.

Secretary **RUSK**. No, not——

The **CHAIRMAN**. I am just trying to understand the reason behind this.

Secretary **RUSK**. Not in the first stages, not in the first stages, they would open up their relations.

The **CHAIRMAN**. What would she do?

Secretary **RUSK**. With a vast amount of trade, which would bring them more and more under the political influence of the Communists and give the Communists a position to use trade as they normally do to affect the political attitude of governments in which they are in trade relations.

JAPAN AND CHINA

The **CHAIRMAN**. This is quite a change. Only a short time ago it was just the opposite. Japan was bringing all of China under her control if we had not interfered and kept her from doing it. Why do you think this is inevitable? Why might it not work the other way that Japan, given the opportunity, might subject China, as she would have done if it had not been for us, I guess, or at least would have done a better job of it.

Secretary **RUSK**. You have two quite different regimes in China.

The **CHAIRMAN**. I know you have. But I do not quite understand. I am not quite satisfied. If there is any reason at all in the world, unless this is a wholly emotional world, I can quite recognize that emotional symbols have misled people in the past throughout history.

As practical non-emotional reasoning, I can imagine that the money we put and continue to put into Korea, if applied to India, for example, might vastly increase the power of the West to resist China than putting it into Korea.

It seems to me this is a hopeless thing. I may be quite wrong. I am only trying to examine what in the world it is that makes Korea the key to the whole world.

You go all the way around and see even Africa might fall, and I must say I do not follow that.

Secretary **Rusk**. Well, I am not——

The **Chairman**. Look at the size of it there, and it is a God forsaken place that cannot feed its own people apparently. Why is that so important that all the rest of the world will collapse?

Secretary **Rusk**. I am not suggesting that Korea is the only key. I am suggesting that——

The **Chairman**. It is the most expensive one. If we are going to cut anywhere I would like to eliminate that and let the Communists pay for it.

Senator **Aiken**. It is farther off than Cuba.

The **Chairman**. It is so badly off that I do not imagine it would make much difference the way they live if they lived under the North Koreans. I do not suppose life is very much different, is it, except for the corruption that we have provided?

The ordinary people who do not participate in the handouts, I doubt if there is very much difference, is there?

Secretary **Rusk**. I think the food situation in Korea is better than it is in North Korea, but in other respects I should think they are on about a par.

WHY THAT LITTLE PLACE IS SO ESSENTIAL

The **Chairman**. I would like a little more convincing reason as to why that little place is so essential for us to hole up in.

You say you would cut it—here is all of Brazil, all of Latin America and Africa, India with possibilities of development for the long-term future, and we are neglecting them, and there is nothing in this bill comparable to it, nothing comparable to any of the countries in Latin America to what we propose to give to Korea, and it seems to me out of proportion unless we have this theory that every inch of the world must be defended at any cost no matter how much money it costs.

You sort of neglected taking up that theory in the beginning. You passed it off by saying that you would not be so rhetorical. But how would you put it?

Secretary **Rusk**. I would think if we quit giving support to countries to whom we have made a national commitment in security terms, that the fact of America's quitting a commitment of that sort would be disastrous to our situation all over the world.

The **Chairman**. And we cannot change our minds? We have made this commitment from now on?

Secretary **Rusk**. It is possible that a situation will develop where we can remove these commitments. But I should think, at least some of them—but I should think at the present time when they are directly engaged and particularly in Southeast Asia where there is an active attack on these countries——

The **Chairman**. Let us stay in Korea because we have that right now, and we have this particular regime there, and what kind of a condition can you imagine that might develop to where you might change or is it your feeling that we are committed as far as we can imagine or anyone can imagine?

Secretary RUSK. Well, I should think that the conditions in which we would give up that commitment are at the moment rather remote.

KOREA AS A UNITED NATIONS TRUSTEESHIP

The CHAIRMAN. Unthinkable. You could not imagine that we could request the United Nations to assume the trusteeship of Korea, that we will continue to give it some money, instead of $400 million, why, we will give it $50 million because there are only 20 million people there?

Secretary RUSK. We tried to put Korea under the U.N. in the early days, and that was taken by the other side as a sign that we were ready to give it away.

The CHAIRMAN. Well, all of us have made mistakes in the past. Maybe it was not a mistake, but times have changed.

We have had experience now for 10 or 14 years, and we see what sorry results we have accomplished, and they are sorry, aren't they, in the way of material progress, improvement of the condition of the people, the establishment if a viable regime, all of that is not the way we anticipated, it has not turned out the way we anticipated.

Secretary RUSK. We certainly have been disappointed in our hopes and expectations.

CURRENT CONDITIONS DO NOT JUSTIFY A COMMITMENT

The CHAIRMAN. I think so, and so on. Where I think we have been grossly disappointed, and certainly in private life it is customary to review that, whether or not we took on a commitment that is still justified. I am not quite clear of the theory. The theory of the Congress is that we do not commit every Congress from now on when we make a mistake. We often change our minds when we do, and I do not much like the idea that the only real reason we are staying there is because we are committed, we made a commitment.

Current conditions do not justify it. It seems to me we might at least consider ways and means to change that commitment and make a bona fide effort to make it a ward, say, of the United Nations, that is one possibilty.

I do not know what would come of that, but I must say I am getting a little tired of the kind of money we put out in there. When I look at those few figures, here are these tiny little pieces, look at this in Formosa; I feel very much the same way about Formosa. There is one difference there, it is defensible by the Navy. It does not cost as much to at least prevent overt aggression. It is quite a possible thing to preserve it, and you can make maybe strategic arguments about bases for the military defense of the Philippines which I do not think apply to Korea.

I cannot see the strategic value of Korea versus Japan, for example. Missiles will go over that area in just as efficient a manner as with or without Korea, and surface landings are still separated by the ocean.

But I must say I am about at the point where I do not like to pour that kind of money indefinitely into Korea, granted all that you say, except I mean about the commitments in the past. I cannot quite believe that if we deliberately make up our mind to request the U.N. to do this, and we say that this is a source of friction and corruption, and so on, and we think a different administration would be better for the people in Korea, and that we would request that action without being pushed out, I do not see why it is such a dishonor to recognize any such situation, and then it is not purely parsimony.

I would not feel so badly at all about transferring that money to a place where I thought it would be worthwhile. I was not thinking just solely of trying to trim the over-all costs. I just hate to spend money uselessly, and with no prospect of return. That is what worries me.

Whereas, if you put it in a place with a future you have some hope of success, that is the main thing.

Secretary RUSK. Well, a good deal of that $4 billion we are talking about has been direct costs of rebuilding the country after the war. It is war-destruction repair.

I do think there is a good deal that has been done and can be done along the lines of the economic development of the country.

The CHAIRMAN. Your own report in these books certainly is not very optimistic on that score, and I do not know anybody who thinks that——

AMERICAN PERSONNEL IN OUTER MONGOLIA

Senator AIKEN. How would American personnel get into Outer Mongolia?

Secretary RUSK. The thought would be that this would be a branch, in effect, of our Embassy in Moscow. We would have certain personnel stationed there; the Ambassador to Moscow would be accredited to both places.

Senator AIKEN. And there would be no travel restrictions? He cannot travel over eastern Russia now, can he?

Secretary RUSK. Not throughout, but there would be no travel restrictions going back and forth.

Senator AIKEN. We would have to get consent from Moscow if we were represented there?

Secretary RUSK. In effect; yes, sir.

THE U.N. IS NOT CAPABLE OF HANDLING KOREA

The CHAIRMAN. Did you say, has the Department ever requested that some time in the past Korea be made a ward of the U.N.?

Secretary RUSK. Yes, sir. We talked actively back in 1946 about the possibility of the U.N. trusteeship and, at that time, it became perfectly clear that if you did so somebody would have to take the U.N. ashore with troops because the Koreans would not take a trusteeship.

Following that we raised the question broadly in the United Nations, and there was established a U.N. Commission on Korea which spent several years out there attempting to unify the country through elections on both sides and to set up a going concern.

They got no cooperation in the North. That Commission was there at the time of the June attack in 1950.

But the U.N. is not capable of handling as large a problem as this one, either from a security point of view or from an economic point of view.

We do not escape it by having it go to the U.N. We simply meet ourselves coming around the other side of the barn because somebody has got to do something about the security of South Korea, and this is not a question for a few token forces. This is a problem for some substantial forces, we think largely Korean.

I just do not see the United Nations taking over responsibility for Korea in the face of the pressures that are exerted against that peninsula.

The CHAIRMAN. We are stuck with it, you think, from now on?

Secretary RUSK. I am sure we are stuck with it for this year, Senator.

Senator AIKEN. Possibly run it next year for a few months or two.

WALTER'S BILL

The CHAIRMAN. I was just handed a paper. I do not want to open up a new subject, but I notice Mr. Walter has moved a matter which I was asked by a member of this committee to write you—Mr. Bontempo and Mr. Cieplinski.[8] Are you familiar with that story? It is in this afternoon's paper.

Secretary RUSK. I have not seen it.

The CHAIRMAN. He has introduced a bill to abolish that particular bureau in order to get rid of these two fellows. Are you thoroughly committed to their appointment?

Secretary RUSK. I have the letter from you and I have not answered it.

The CHAIRMAN. I was requested by a member of this committee who had very grave doubts, of his own knowledge. It was not a matter of the committee having a hearing or anything. He is a member who said he had grave personal reservations about them, and he asked me to write that letter.

Secretary RUSK. Yes, sir.

The CHAIRMAN. I did not know Mr. Walter was concerned about that.

Secretary RUSK. I will set forth in great detail the backgrounds of the two men and the reasons for their appointment.

The CHAIRMAN. I think it is a little late. I know there are some other questions. I am afraid there has been a rather diverse, dispersed argument, I guess is the word, this morning.

MARKUP SESSIONS

We will have the markup tomorrow, and see how it goes along. I guess I need not tell you about the difficulty in the minds of some members.

Secretary RUSK. Yes, sir.

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[8] Representative Francis E. Walter (D-Pa.) introduced a measure in the House on July 6 to abolish the Bureau of Security and Consular Affairs because of his opposition to President Kennedy's two appointees to administer the Bureau, Salvatore A. Bontempo and Michael Cieplinski.

Is there any way I can be of use to the committee personally in the next several days?

The **Chairman**. Well, very likely there will be some questions that will arise, and later on we would want to discuss those with you.

I think the committee now needs to have a few serious sessions of markup. We have had this grave problem of getting attendance here. I have been here all along, but there have not been many members here. I have been reluctant to try to proceed to write it up with just two or three members because usually you have to go back over it again.

We have made a little progress. You have seen our revised policy statement and few other things?

Secretary **Rusk**. I am aware of a number of suggestions that have been made.

The **Chairman**. There was only a very scanty membership at that time, and I have been waiting, trying to get the membership, but tomorrow we are scheduled to try to mark it up.

Secretary **Rusk**. If Mr. Marcy will get me, I promised to keep closely in touch, and our own reactions were made very promptly and speedily in case you have any questions of that sort, or come back. Senator Morse had some questions.

Mr. **Marcy**. Mr. Bell is planning to be here all the time, so he will be immediately available.

The **Chairman**. The committee might as well close.

[Whereupon, at 1:15 p.m., the committee recessed, to reconvene at 10:30 a.m., Friday, July 7, 1961.]

MINUTES

FRIDAY, JULY 7, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 10:50 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Morse, Long, Lausche, Symington, Wiley, Carlson, and Williams.

The committee proceeded on the mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:10 p.m.]

MINUTES

MONDAY, JULY 10, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:40 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Gore, Lausche, Wiley, Capehart, Carlson, and Williams.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:25 p.m.]

MINUTES

WEDNESDAY, JULY 12, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 11:55 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Morse, Long, Gore, Lausche, Church, Symington, Wiley, Hickenlooper, Aiken, and Carlson.

On motion by Senator Morse, seconded by Senator Lausche, the committee approved for report the nominations of Edward Thompson Wailes, to be Ambassador to the Czechoslovak Socialist Republic; William Pennel Snow, to be Ambassador to Paraguay; Robert F. Woodward, to be Assistant Secretary of State for Inter-American Affairs; Seymour J. Rubin, to be General Counsel of the ICA in the Department of State; and DeLesseps S. Morrison, to be U.S. Representative to the Council of the Organization of American States.

Without objection the committee voted to report H.J. Res. 463, To extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization.

For record of the proceedings, see the official transcript.

[The committee then adjourned at 12 noon.]

MINUTES

THURSDAY, JULY 13, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:45 a.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Mansfield, Long, Lausche, Symington, Wiley, Hickenlooper, Aiken, Capehart, and Williams.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:25 p.m.]

RELATIONS WITH CHINA (MARK-UP)[1]

[EDITOR'S NOTE.—On May 3, 1961, Senator Everett M. Dirksen (R-Ill.) introduced S. Con. Res. 22, which reaffirmed American support for the Republic of China (Taiwan) and opposed the seating of the People's Republic of China in the United Nations. The resolution was referred to the Foreign Relations Committee, which reported it out in revised form as S. Con. Res. 34, on July 25. Three days later, the Senate adopted the resolution, as further amended by Senator Dodd, by a vote of 76 to 0. The House of Representatives concurred.

In December the United Nations held its first debate since 1950 on the issue of Chinese representation, with the United States leading the support for Taiwan. On Dec. 15, the General Assembly voted 48 to 37 to reject a Soviet motion to unseat the Republic of China in favor of the People's Republic.]

FRIDAY, JULY 14, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, at 10:35 a.m., in room F–53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright and Senators Sparkman, Humphrey, Gore, Lausche, Dodd, Wiley, Hickenlooper, Aiken, Carlson, and Williams.

Also present: John O. Bell, Deputy Coordinator for Foreign Assistance, Department of State; and Dean B. Lewis, Office of the General Counsel, ICA.

Mr. Marcy, Mr. Holt, Mr. Denney, and Mr. Newhouse, of the committee staff.

The CHAIRMAN. The committee will come to order.

The staff notified you that this problem of the China resolution, perhaps, should be disposed of before the foreign aid bill.

While it is not germane to the bill, we have had formal notice from the Minority Leader that unless we took action upon this resolution, by the time the bill came to the floor, that he would offer it as an amendment.

It strikes me as a more orderly procedure, with this in view, that we go ahead and act on the resolution, for whatever it is worth, vote it out, and then it will stand on its own feet, and not become involved in this bill.

Senator CARLSON. Mr. Chairman, is there more than one resolution on China pending?

Mr. MARCY. On page 97, on the right-hand side, you will find the Dirksen resolution printed in full.

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[1] See Appendix A, page 675.

REDUCE THE WHEREAS CLAUSES

The **Chairman**. What I have asked the staff to do for the consideration of the committee is to have these alternative resolutions, following a principle that I like very much, which is to simplify the whereas clauses, in the same fashion we simplified the statement of policy because you get into so many statements upon which there is a great difference of opinion. The essence of it is the resolution itself, that is what it states is our policy.

I would hope that the committee would look with favor on simplifying and reducing the whereases, which are merely statements of opinion about a great many different things and, if possible, they will concentrate on the resolving clause, which is the statement of what our policy is.

I think we would make a lot more headway and much more likely to get agreement, a consensus among the committee, if we can follow that policy in general. That is the whole purpose of changing it, the purpose being to reduce, primarily to reduce, the whereases.

Senator **Carlson**. The chairman says we shall reduce them. Which ones does the chairman intend to eliminate or does he intend to eliminate all of them?

The **Chairman**. You can compare the two drafts. The mimeographed one is the staff suggestion at my request.

Senator **Lausche**. Where is it?

The **Chairman**. It has a great many, 10 whereases, as against 2; that is the principle.

Senator **Carlson**. I notice on page 97 it says that Senator Dirksen proposed that Senate Concurrent Resolution 22 be considered. The printed staff material mentions, I believe, Senate Concurrent Resolution 22 introduced by Senators Mansfield and Dirksen. Is Senator Mansfield a co-author of the Dirksen resolution?

The **Chairman**. I do not know.

Mr. **Marcy**. Yes, sir; he is. I have shown him this new language and he indicated very quickly it looked fine to him.

THE DIRKSEN RESOLUTION

The **Chairman**. Senator Dirksen was the principal author, with Mansfield joining him, or what was it?

Mr. **Marcy**. As I understand it, this Senate Concurrent Resolution 22 was drafted primarily by Senator Dirksen and Congressman Judd; that Mansfield negotiated back and forth with them.

The **Chairman**. And joined in the introduction?

Mr. **Marcy**. And joined in the introduction.

The **Chairman**. I see.

Senator **Lausche**. May I suggest that the resolve clause here implies that they might go along with the admittance of Red China.

It says that we shall continue to meet our commitments to the people of China, I suppose, and to the Government of the Republic of China, and shall continue to support that government's representation in the United Nations.

That would mean that we could continue to support the representation of Nationalist China in the United Nations, but also support the admittance of Red China.

The CHAIRMAN. I would have no objection—I just put it in the simple form, this is for the committee to decide—I personally have no objection to adding the further resolve that the United States should continue to oppose the seating of the Chinese Communist regime. If the committee wishes it, I would not oppose it.

COMMENTS OF AYUB KAHN ON CHINA

Look at the bottom of page 97, those last two resolves. The distinction here, I would say, if any and if it is a valid one, rests upon the proposition as we discussed it yesterday—the probable developments of events in the United Nations on this subject. The Pakistanis are one of our closest friends or allies in this whole controversy. I believe I am not overstating the case when I say that they believe we would be defeated on the so-called moratorium motion this fall.

It is a question of what do you do about it. It has already been announced that the government said last fall for the last time they would be able to vote with us on the moratorium.

Senator LAUSCHE. What government is that?

The CHAIRMAN. Pakistan, than which there is no, I assume, closer friend and closer working friend. I think what you have to consider here if we are faced with that, and I believe everybody thinks so, is how do we minimize, if we can, the effect of the defeat, assuming we continue to vote against it. But how far do you go in asserting the principle? In other words, if you have to be defeated, to minimize its effect you consider at least a half-way endorsement of the two China policy.

I think they believe, and others do, that the best you can salvage out of this situation is the support of the same people, a lot of the same people, who vote against us on the moratorium that they would, in turn, vote for the preservation of the independence of Formosa so that you finally end up with at least their support on the two questions: One, that it is an important matter, which then would be important as to the admission of Red China as opposed to the discussion; and the next is the preservation of Taiwan as an independent country.

Senator HICKENLOOPER. May I say this off the record.

[Discussion off the record.]

AN IMPORTANT MATTER

The CHAIRMAN. We also had a long discussion on this with the British in Bermuda early this spring. I would say their judgment is almost identical to that of the Pakistanis, that regardless of what you are going to do, these neutrals and all the new ones, and a lot of other people, are going to vote to consider the matter of admission.

After you get over that hump——

Senator LAUSCHE. They will vote to consider the matter of admission?

The CHAIRMAN. Yes.

Senator LAUSCHE. After you get over that, what?

The CHAIRMAN. Then the next question to be resolved is whether or not it is an important matter. If it is a procedural matter, the decision then comes on the basis of the vote of the majority, as I understand it.

Senator HICKENLOOPER. The term, Frank, as I understand it, "important matter" is a term of art.

The CHAIRMAN. That is right.

Senator HICKENLOOPER. In the United Nations.

The CHAIRMAN. That is right.

Senator HICKENLOOPER. It has a special meaning. If they declare it to be an important matter, then that declaration automatically puts it into the category of putting it into the category of requiring a two-thirds vote to be carried.

The CHAIRMAN. It is in the charter.

Senator HICKENLOOPER. If it is a procedural matter, it only requires a majority.

The CHAIRMAN. You cannot veto a procedure matter in the Security Council. If it comes before the Assembly it takes two-thirds. This is a very complicated thing. But what the Pakistanis have stated is correct. If they vote with you on it being an important matter, then they have to get two-thirds, and then we have a much better opportunity, obviously, to prevent the admission, and that is a matter you have to meet later on. But if they do not vote with you on that, you are really lost.

Now, I think the Pakistanis believe, and so do the British, that after all this develops, and this may not develop this year, that we eventually are going to get support for the proposition from many of the neutrals for the continued independence of Formosa, that it should not be made to be subjected to China; that the Chinese Communists won't accept that, and therefore, they will be in the position of rejecting or refusing admission anyway. That is what the Pakistanis think is the best hope to get out of this; that if they finally work around to say, "Well, you can be admitted but only with the continued existence of Formosa," and then they would say, "We won't join," and, therefore, this is the most favorable outcome that you can expect to get out of it.

PAKISTAN'S VOTE ON ADMITTING CHINA

Senator LAUSCHE. Directing our attention to Pakistan, have they indicated that they will vote for a consideration of the admittance of China?

The CHAIRMAN. Yes, they have.

Senator LAUSCHE. But they will finally say that it is an important matter in the meaning of the United Nations' charter, and therefore it requires a two-thirds vote.

The CHAIRMAN. All I can say is it is definite as to the first question you asked. I am not as certain as to how definite it is as to the second.

[Deleted.]

TWO ISSUES

Senator AIKEN. Chiang Kai-shek would not vote for the admission of Red China as a single nation. Then the question comes up as to which China shall be admitted, and that is where we lose.

Senator **Lausche**. I think that the committee or the staff draft is practically identical with the proposal that Mansfield made on the floor as a substitute for the Dirksen proposal, and the staff draft does not bind us to anything. It says that we will keep our commitments. Well, we are honor bound to keep our commitments, and it says we shall continue to support that government's representation.

Well, that is not the issue. The issue is the admittance of Red China.

The **Chairman**. There are two issues. One is the admittance and the other is the continued independence. This goes to one of them, at least.

As I said, now read in that, certainly the committee ought to consider adding, if they wish, in addition to the one of the staff, the last two at the bottom of page 97.

Senator **Lausche**. Well, to me this is a very important matter. I have reiterated my position.

We should keep our commitments and honor those that we have made to Nationalist China. We should oppose Red China, and I think we ought to set forth in our resolution why we oppose it.

Now that, I mean, the whereas clauses ought to be included.

The **Chairman**. All of them?

Senator **Lausche**. Yes, all of them. That is, every one that is true. If there is any one that is not true, I would say let us strike it out.

Senator **Hickenlooper**. Well, my own definite feeling is that I think the whereas clauses in the Dirksen resolution can be shortened somewhat, but I would not support a resolution that does not give a clear and concise, albeit, perhaps, little shorter whereas than here, pointing out the shortcomings of the Chinese Reds, and why, in our support for the Nationalists.

I would not favor the short draft here at all, because I do not believe it says anything, that it would maintain our position in anything except a weakened position.

The **Chairman**. You would not favor it even though you added the last two resolves?

Senator **Hickenlooper**. No I think the whereases there ought to be——

Senator **Aiken**. Mr. Chairman, may I ask a question of the members of the committee present?

THE KNOWLAND RESOLUTION

The **Chairman**. While we are considering this, I want to call your attention to the Knowland resolution,[2] which is the present law, at the left-hand upper corner of page 96, just to give you the full picture. This is what we have passed already, and is what is called the Knowland resolution on Formosa, the extreme left-hand corner of page 9.

Senator **Hickenlooper**. Well, as I say, I think we could well shorten the whereases, the number of whereases, and make them more concise.

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[2] Former Senator William Knowland (R-Calif.).

But I have this feeling right now: That we are in a position of either compromising our entire world position on principle or we stand pretty firm, and the minute we back down and compromise on this thing we are headed for the skids.

Senator Carlson. Mr. Chairman, I want to say this on this resolution: I expect to support the foreign aid program, probably with revisions in it, but this vote here on the China resolution must be a strong statement or I will be in an embarrassing position on the foreign aid vote. This is one thing that is going to help me on that.

I think we have to have a strong resolution, not any weasel words of any kind, we have to be straightforward on it.

I do not have any certain sections of this resolution or any individual ones that we have to keep, but I believe we have to be firm on it.

The Chairman. Well, I think the Knowland resolution, if you reenacted that, you will not be backing down on it. But the problem is that we are faced with almost certain defeat on that whether you wanted that particular time to be more bellicose or more assertive than before, and the question is whether it does not make you look more ridiculous when you finally go down. That is what you have to consider, it seems to me.

STATE DEPARTMENT PRESSURE

Senator Aiken. Mr. Chairman, I am wondering how far the State Department is going in trying to put pressure on members of this committee. They have been selecting employees of ICA and of the Foreign Service from our States, and sending them up to talk with us.

They have very obviously been coached on how to lobby us, and what questions to ask, and so forth and so on.

I had a rather ridiculous thing happen. I had two come in this morning, one at 9:15 and the other at 9:30, one sent by ICA and the other sent by the State Department, and it so happened that those two boys, and they are good boys, came 15 minutes apart, and were brothers. I am sure neither one knew that the other one was being sent up to lobby me.

The Chairman. This is on the China resolution?

Senator Aiken. How far are they going? They are going to make me think that they have no damn good State Department, if they keep that up.

The Chairman. Is it on the China resolution?

Senator Aiken. It is on the backdoor financing. It is so asinine that if they do not know any better than that, then they are not fit to carry out our foreign policy.

I did not let on to these boys at all that I knew what they were there for or who sent them, but it was so obvious that it was just ludicrous.

They happened to be two from the same town, and they were brothers.

Senator Hickenlooper. Nobody from my State has been up to see me on this subject.

Senator Aiken. They have been told what to say.

SHOW SOME FIRMNESS

Senator LAUSCHE. Mr. Chairman, I think the time has come when we have to show some firmness. We cannot compromise in this matter.

As stated by Senators Carlson and Hickenlooper, although conscious that we are going to go down to defeat, I think we will be better off by asserting ourselves than we will by yielding.

Senator CARLSON. Frankly, I think we are going down to defeat in the United Nations. I do not think there is anything facing us except that one fact, but, at the same time, I think we have to take a firm position. I think our people are expecting us to.

The CHAIRMAN. Frankly, I think the ultimate thing we should consider, we should not dismiss without very serious consideration, is as to how you see the ultimate resolution of this difficulty and, as I said a moment ago, I think the best we can get or at least probably this way, is their support for the continued independence of Formosa as a vote on the United Nations.

The question is whether if you continue to be too stiffnecked about it, that we would lose that, too, which would be really very embarrassing, which would be much more than if you end up with the so-called two Chinas, which there is also an opportunity and a probability that Red China or at least in the initial stages, would not accept. They say they would not. I do not know whether they will or will not.

But this is a difficult thing to prognosticate. But I think we ought to be aware of that and take it into consideration, that if you force their position, and if it should have the effect of preventing our getting a favorable vote on that issue, I think then we would be in a worse situation than merely reiterating our stiff stand.

OUTER MONGOLIA AND MAURITANIA

Senator AIKEN. Is there any tie-in between this and Russia's apparent desire to have us recognize Outer Mongolia?

The CHAIRMAN. Well, that I do not know about.

Senator AIKEN. There seems to be quite a lot of pressure in that direction now, and I gather from what the Secretary said the other day, Russia would be delighted to have us——

The CHAIRMAN. That may have some bearing upon the so-called friction between China and Russia.

Senator AIKEN. Before we get Mauritania out of it, we have to trade one headache for another.

Senator HICKENLOOPER. One horse for one rabbit.

Senator AIKEN. Mauritania's recognition is a doubtful victory.

[Deleted.]

DROPPING THE KNOWLAND LANGUAGE

Senator LAUSCHE. May I ask, does the bill pending before us drop what is known as the original Knowland provision?

The CHAIRMAN. No, it continues until we pass something different.

Mr. MARCY. Mr. Chairman, the administration's proposal was that the Knowland language be dropped. They explained that the reason they have dropped that was because the Dirksen resolution was pending before us. Their explanation is in the column, in the second column, on page 96.

Senator **Lausche**. Well, section 101 is excluded from the bill that is pending before us?

Mr. **Marcy**. That is correct, yes.

Senator **Lausche**. Then the administration did drop it?

Mr. **Marcy**. That is correct.

Senator **Lausche**. But gave as an explanation what appears in the second column?

Mr. **Marcy**. That is correct.

The **Chairman**. I see.

Maybe it would be better, we could certainly consider reenacting the Knowland resolution if the committee prefers.

Senator **Carlson**. It would be a case of reenacting that, would it? We would just leave the law as it is.

Senator **Gore**. Does it have to be reenacted every year?

Mr. **Holt**. No, sir. But this bill repeals the Mutual Security Act, and if you are going to repeal it, then what you want continued would have to be reenacted.

Senator **Gore**. Thank you, Pat.

CONDEMNING CHINESE COMMUNIST AGGRESSION

Senator **Hickenlooper**. I do believe that the whereases in the Dirksen resolution can be condensed considerably. In other words, you could condense maybe three or four of these whereases into one concise reference whereas, I mean, where you refer to certain things without going through it.

For instance, I think you could condemn aggression of the Chinese Communist regime in Korea, in Tibet, in Southeast Asia and other places in just a couple of lines of a whereas rather than putting in four or five whereases, I think some of these others can be combined.

Senator **Dodd**. Mr. Chairman, can I ask is it obscure as presently worded?

Why are you suggesting that it be condensed?

Would it be more clear after it is condensed?

Senator **Hickenlooper**. I think that probably I agree with every whereas that is in there. It is not any objection to any of the whereas statements. But it is like the preamble in this bill that we had here at first. There was a lot of confusing surplusage in it. I think that while I agree with everything that is said in all the whereases here, and I could very easily vote for them, I think the question is getting the thing concisely stated, and so on, so that we could condense it, but that is the only thought; it is like using a lot of adjectives where you do not need them in a statement. If you cut out a lot of the adjectives sometimes your statement is a little more forceful. That is the only thing behind that suggestion, to make it a little easier.

Senator **Lausche**. I think if we are speaking the truth, let us not hesitate about declaring it.

On the matter of the technical presentation of the truth, and language, I can go along with you, but I do believe these are the reasons why we feel it should not be admitted, and if the Executive Department has a different view, we still may have an ultimate responsibility, and we ought to let the world know what the Congress is thinking on the subject.

PRINCIPLES OF THE UNITED NATIONS

Senator HICKENLOOPER. I think there is a very fundamental issue involved here, and this has moved me in my thinking on the Chinese Communists all the way down the line.

The United Nations is set up with certain fundamental principles, and completely fundamental in the United Nations is a declaration of the evil of aggression; aggression is fundamental in this thing; self-determination of nations is fundamental in the United Nations; settlement of disputes by peaceful means is fundamental in the United Nations.

Now, the Chinese Communists stand not only guilty but indicted by the United Nations before the entire world of violating every fundamental principle of the United Nations.

It is like somebody wanting to join my Methodist Church or your Catholic Church. If I stand in violation, in defiance of every dogma and principle of your church are you going to let me in? Of course, you are not.

Senator LAUSCHE. That is a good argument.

Senator HICKENLOOPER. If I stand in violation of every principle that any group or organization stands for, that group or organization is not going to let me in if I disagree with its charter, if I violate the fundamental principles of its charter.

I think that is the issue here.

To me it is a very powerful and persuasive issue, and I think that is what faces us here.

We can say all we want to. The British philosophy is that they muddle through and they lose every battle but the last one; that has been their historic position, that in some way they muddle through, but it is the last battle they win, and that is what they win.

We got over the time of muddling in this world of politics and rockets and all of the rest of the speed of communication and action around this globe, and it presents some different problems. But we either stand on principle or we fall and fail with compromise. I mean, that is the thing that is hard for me to get over.

I cannot get it fully straight in my own mind.

SOVIET PARTICIPATION IN THE U.N.

The CHAIRMAN. I wish I thought it was as clear as that, but I do not see it that way because what about having, we already have the Russians in there, my God.

Senator HICKENLOOPER. That is a different situation.

The CHAIRMAN. It is not very different on principle if you are going to stand on principle. Why do we tolerate the Russians?

Senator HICKENLOOPER. No, sir, and I will tell you why it is different.

The CHAIRMAN. Why is it different?

Senator HICKENLOOPER. It is different simply because the Russians were part and parcel of the negotiations of the United Nations. They agreed to every principle set out in the United Nations. They agreed to every principle set out in the United Nations, and they said they would go along with it.

The CHAIRMAN. But they do not go along with it.

Senator HICKENLOOPER. Their violation came after they got in. Here we have violators outside. Do we bring them into the lodge when they have not only not performed according to the principles, but they refuse to abide by or agree to the principles?

That is the point I am thinking of.

The CHAIRMAN. I do not think either in international or domestic life that it is as simple as black and white, as simple as that. We have the Russians in there, and their reaction in Hungary was such, why didn't we throw them out when they did what they did in Hungary?

Senator GORE. Khrushchev this week just declared his utter independence of the United Nations.

The CHAIRMAN. And you have them threatening its destruction in their actions against Hammerskjold. We are confronted with these, as you say, muddled situations. We are confronted even with them domestically.

We have some strange actions in our domestic politics that we have to reconcile if you are going to go on the matter of principle everytime, even in all sorts of actions.

Every bill we pass up here I find myself compromising because there is no alternative. There is hardly any bill that I think is just right. There are nearly every one of them that you have to weigh these things.

I do not know how in politics you can be as clear-cut as that. I do not see that that makes much difference.

If he got in as a liar and turns out to be just practically as mean and guilty of everything these people are, we still pretend that they are legitimate members, we meet with them and we discuss things with them. I do not see on principle that there is one difference.

THE PRAGMATIC SITUATION

Senator HICKENLOOPER. Mr. Chairman, do you think for one minute that the Senate or the House of Representatives would seat a man who was ostensibly or at least technically elected to Congress, who had gone on the platform in his campaign and said, "I defy the Constitution of the United States, I will not abide by its principles, and I will do everything I can to destroy it"? We would not seat him.

The Chairman. No.

Senator HICKENLOOPER. The guy wouldn't even get to the station here in Washington.

The CHAIRMAN. Well, now, I am not proposing——

Senator HICKENLOOPER. That is the point.

The CHAIRMAN [continuing]. We will say that we will vote for their seating. In fact, I am proposing the opposite.

The question here, I think, is a very practical one. If you are going to follow your principle, that is, your statement of principle, then if they are voted in, what are we going to do, get out? I would say in a logical way you would say yes. But, on the other hand, you weigh the practical, the pragmatic situation of whether you want to get out and leave it to them and for them to destroy it, or whether we muddle through, as you say.

I do not think the British muddled through because they wanted to muddle through. I just think they found there weren't any alternatives, and there really is not any other one.

We get all kinds of strange things, I think, in our daily lives. We have to compromise with what we call principle. It does not mean you abandon your principles, you just do the best you can under the circumstances.

I think the whole thing here finally comes down as a practical one. If you believe that we are facing a defeat on the question of the moratorium, which we won't like and we will oppose it, then the next question comes: is it possible to approach this thing in such a way that you can try to insure that as many people as possible will vote to make it an important question on the theory that if it is made an important question you might salvage the ultimate decision, because we can get a third plus one instead of a majority.

I mean, this is the kind of practical thing that should be considered.

Senator LAUSCHE. Bill, will you stop at this point for a question?

The CHAIRMAN. I am very worried about the principle business. I do not believe you can do business in politics——

EFFECT ON AMERICAN ALLIES

Senator LAUSCHE. Let us suppose we pass this resolution as it has been submitted, and we go into the United Nations opposing the admittance of Red China, but Pakistan and others do not agree with us, and they vote against us, so we are beaten on that item.

Does the fact that we opposed the admittance become an influence upon these friends of ours like Pakistan, causing them to say, "Since you opposed the admittance we will now vote against declaring it to be an important question"? I do not think it follows.

The CHAIRMAN. No. The reason, as I tried to make it clear, I do not think Pakistan's attitude is—they are committed, in fact they are going to vote against the moratorium, to take the matter up, and I think they will vote that way, and they expect us to vote against that. They do not expect us to vote to abandon the moratorium.

[Deleted.]

These questions of face and the dignity of, especially a lot of the small countries, I admit, is quite beyond my comprehension, but they apparently are the facts of life in this field.

I am not a very good one here to be on my own authority or my own knowledge to expound these proposals. I am trying to present at least what I understand to be their position, that is about all there is to it. I am not any authority on how these votes will come out by any means. I know as little as anybody at this table about it, but I am just trying to say what I think their position is. They have to be the final people who do the negotiating and who try to get these people to vote.

WE ARE NOT GOING TO RENEGE

Senator **Wiley**. Mr. Chairman, can I get in a word? I have sat here patiently. I remember the time when we used to go around the table and ask each one to express his viewpoint, but now we have one or two who occupy all the time, and we have to listen.

I have my own ideas about this. First, I think you missed the two points, I think, that are most important. What effect, if you fail to do this, what effect is it going to have on the present situation in Berlin? We heard the discussion this morning by Humphrey telling about the conditions over in that country, that is one thing, that is the first thing.

But if we renege, if we soft-soap, what effect is it going to have on the country? I want to tell you the country is listening to what we are going to do here on this very kind of a resolution.

So far as I am personally concerned, I think we should stand firm, and by so doing we will tell Khrushchev in no uncertain terms just what our position is, that we have not reneged, we are not going to renege, we are going to hold our own.

It might have the very wonderful effect, well, you cannot tell, but listening to what Senator Humphrey had to say, he said the time is ripe that we stand and let the people know.

The next thing is the people in this country are wondering what are we going to do about a thing of this kind. Are we going to lay down, are we going to forget the thousands of our wounded and dead as the result of China up there in Korea?

You say that has nothing to do with the admission of China into the United Nations. I think it has a lot to do with it. I think we all recognize that China was back of this business in Korea, so I, for one, feel that for those two reasons that we should make our position very clear, so that there is no question of our saying that we have backwatered.

Now, I would like to hear the opinion of this distinguished gentleman on my left.

Senator **Dodd**. That is a very nice compliment, I must say.

Senator **Wiley**. A little louder, please.

Senator **Dodd**. I am more interested in listening. I am clearly in favor of this resolution. Senator Hickenlooper's idea of condensing it and clarifying it is, perhaps, a good one. I am sure Senator Dirksen or whoever wrote it, would be in favor of it. My position is very simple, I am in favor of it.

The **Chairman**. You have the floor.

Senator **Lausche**. Let us hear from John Williams.

Senator **Williams**. I am just listening and I am ready to vote.

Senator **Lausche**. Are we ready to vote or do you want more in attendance?

A LITTLE CLOSER COMMON GROUND

Senator **Hickenlooper**. I would prefer not to vote at this moment. As I said a moment ago, I can support every declaration in the whereases here, but I think in the interests of attempting to approach unanimity in the committee, I think we might shorten somewhat stating the basic principles in the whereases that are here.

I did not know we were going to consider this this morning—I got the notice, yes—but I think if we try to work on this just a little bit more that we will find a little closer common ground.

I am not for the resolution that is proposed on this blue sheet. I do not believe it expresses the situation as vigorously as I would like to see it expressed.

The CHAIRMAN. Would you like the staff, in view of the discussion here, to attempt then, we will say, a compromise between those two?

Senator HICKENLOOPER. About three whereases.

The CHAIRMAN. Is that what you would like, and let them do it?

Senator HICKENLOOPER. Condense this and mention——

Senator GORE. I think that is a good suggestion.

Senator HICKENLOOPER. Take a look at it.

Senator GORE. If we can condense it and express the view, the will, of this committee, fine.

The CHAIRMAN. Does the staff think that you have enough guidance from this discussion to undertake that for the next meeting?

Mr. MARCY. No. Do you like the two whereases we have in this draft?

The CHAIRMAN. They are taken almost verbatim from the first two, aren't they?

Senator LAUSCHE. That is all right. But the first whereas, there is a pleading thing. You are saying to the people, "Remember, we have got friendly relations with Formosa, and don't ask us to break it." I am not willing to beg. That is what the effect of that first whereas is.

Senator GORE. That is the same in both.

The CHAIRMAN. I think that is almost the same.

Senator LAUSCHE. I say if you just put it down to that one; I am in favor of compacting these. What about the three resolve paragraphs, are we going to stand on them?

The CHAIRMAN. I say, we would add, if you wish, and I judge from the sentiments that have been expressed, add the two last ones which, in other words, I believe that makes it practically the same.

Senator CARLSON. I believe we should add the last two.

The CHAIRMAN. Add the last two. That is clear. Everybody agrees with that.

Senator GORE. I can support those last two.

SHORTCOMINGS OF THE CHIANG KAI-SHEK REGIME

The one whereas that I would have difficulty in supporting is the third whereas. I am perfectly willing to support the Formosan Government and living up to our treaty obligations and to support their right to be represented in the United Nations. But I do not know why we need to put our approval on that government as being worthy of the great traditions and culture of the Chinese people. I think there are many shortcomings of the Chiang Kai-shek regime.

The **Chairman**. You are talking about the third whereas?

Senator **Gore**. I am talking about the third whereas.

I do not think that is something which is significant to this issue.

The **Chairman**. That one I do not particularly agree with.

Senator **Gore**. I do not think it is central to this issue and has any particular bearing on it.

The **Chairman**. I do not think any government quite goes that far, but that is neither here nor there. Many of the others, I do.

Senator **Hickenlooper**. My own view is I think that the Chiang government on Formosa has made a remarkable record.

Now, I do not know quite what the great traditions and culture of the Chinese people are.

The **Chairman**. This is that kind of vague language that nobody knows, I do not know either.

Senator **Hickenlooper**. They have a great tradition and culture. If you go back to the Ming Dynasty, the autocracy they had there, it was a pretty ruthless operation, and I do not know why we want to approve that.

Senator **Gore**. That is right. Why do we want to get into this?

Senator **Hickenlooper**. They do have a great culture and a great background in many ways, but a blanket endorsement that this is the successor of a great culture and great tradition and so on, which we might approve, that might be subject to some alteration or change. That is why I think we ought to study these whereases to a considerable degree.

Senator **Lausche**. I think the chairman's recommendation is excellent. Let us get to work on the thing. The opinion has been expressed.

Senator **Hickenlooper**. I do not want to take this short statement, do you, Frank?

[Off record discussion.]

The **Chairman**. Well, I think then in view of this, the staff will have to attempt it anyway.

Mr. **Marcy**. All right, sir.

[The committee then resumed discussion of the foreign aid bill.]

[At 4:25 p.m., the hearing was adjourned, to reconvene Monday, July 17, 1961, at 10:30 a.m.]

MINUTES

FRIDAY, JULY 14, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

Afternoon Session

The committee continued in executive session at 2:40 p.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Gore, Symington, and Hickenlooper. Senators Carlson, Aiken, and Sparkman later joined.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 4:25 p.m.]

MINUTES

MONDAY, JULY 17, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 10:40 a.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Gore, Long, Lausche, Wiley, Hickenlooper, Aiken, and Carlson.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

[The committee recessed at 1 p.m.]

AFTERNOON SESSION

The committee continued in executive session at 2:40 p.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Gore, and Lausche. Senators Carlson, Hickenlooper, Aiken, Symington, and Morse later attended.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 4:45 p.m.]

MINUTES

TUESDAY, JULY 18, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:45 a.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Long, Gore, Church, Hickenlooper, Aiken, Carlson, and Williams.

The committee continued with its mark-up of the bill (S. 1983) Relating to Foreign Aid.

[The committee recessed at 12:10 p.m.]

Afternoon Session

The committee reconvened at 2:45 p.m., in executive session in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman and Carlson. Senators Aiken, Lausche, Morse, Capehart, and Symington later attended.

For record of the proceedings, see the official transcript.

[The committee adjourned at 4:45 p.m.]

MINUTES

WEDNESDAY, JULY 19, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 10:40 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Church, Symington, Hickenlooper, Aiken, Capehart, and Carlson.

The committee continued with its mark-up of the bill (S. 1983) Relating to Foreign Aid.

[The committee recessed at 12:20 p.m.]

AFTERNOON SESSION

The committee reconvened in executive session at 2:40 p.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Hickenlooper, Aiken, and Carlson. Senators Williams, Sparkman, Gore, Capehart, Symington, Humphrey, and Long later joined.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 7:30 p.m.]

MINUTES

THURSDAY, JULY 20, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:35 a.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Mansfield, Morse, Long, Lausche, Church, Symington, Dodd, Wiley, Hickenlooper, Aiken, Carlson, and Williams.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

During consideration of an amendment offered by Senator Church, Senator Lausche rose to go, and entered an objection to any further proceedings being conducted during his absence. The chairman responded by saying the committee had permission to sit, and therefore Senator Lausche could not enter his objection as a point of order. He added, however, that Senator Lausche was free to leave his proxy with any member.

Upon completion of the roll call on Senator Church's amendment, Senator Hickenlooper suggested that members formerly present and who wished to cast their vote on the call be authorized to do so. The chairman said this took unanimous consent of the committee. The suggestion was agreed to without objection, but only after Senator Symington said he was not prepared to agree if the absent votes changed the result of the roll call. The chairman pointed out that such votes, either cast in the affirmative or negative, would not change said result. The chairman also declared that it was in order for any of the absentees, upon their return to the committee, to move the reconsideration of the amendment.

[The committee recessed at 12:45 p.m.]

Afternoon Session

The committee reconvened in executive session at 2:45 p.m., in room F–53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Carlson, Wiley, Hickenlooper, Gore, Lausche, Dodd, Aiken, Symington, Capehart, Church, Morse, Williams, Humphrey, and Long.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 2:45 p.m.]

MINUTES

FRIDAY, JULY 21, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met at 10:35 a.m., in executive session, in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Mansfield, Morse, Long, Lausche, Church, Symington, Wiley, Aiken, Carlson, and Williams.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:45 p.m.]

MINUTES

MONDAY, JULY 24, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met in executive session at 10:45 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Mansfield, Morse, Long, Lausche, Symington, Wiley, Hickenlooper, Carlson, and Williams.

The committee continued its mark-up of the bill (S. 1983) Relating to Foreign Aid.

On motion by Senator Humphrey, seconded by Senator Wiley, to report the bill, as amended, the members were recorded as follows:

YEAS

Senator Sparkman (proxy)
Senator Humphrey
Senator Mansfield (proxy)
Senator Morse (proxy)
Senator Gore (proxy)
Senator Lausche
Senator Church (proxy)
Senator Symington
Senator Wiley (proxy)
Senator Aiken
Senator Carlson
The Chairman

NAYS

Senator Long
Senator Hickenlooper
Senator Capehart
Senator Williams

Senator Humphrey voted Senator Dodd in the affirmative on the basis of a letter he had.

So the bill was reported, 13 to 4.

For record of the proceedings, see the official transcript.

[The committee thereupon adjourned at 12:20 p.m.]

RELATIONS WITH CHINA (MARK-UP)[1]

TUESDAY, JULY 25, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to notice, at 10:30 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Senators Fulbright, Sparkman, Humphrey, Long, Lausche, Symington, Dodd, Wiley, Hickenlooper, and Aiken.

Also present: Mr. Marcy, Mr. Denney, and Mr. St Claire, of the committee staff.

The **Chairman**. The committee will come to order.

The first business before the committee, in accordance with our prior agreement, is the resolution, Senate Concurrent Resolution 22.

Just to review the matter a moment, the committee, on another occasion, asked the staff to redraft the "whereases" for its consideration. There is a very minor change. I do not know what the members would think—but at least the physical content, the number of words, is a very minor change—in the "Resolved" of the resolution.

Senator **Hickenlooper**. I have some proposals here, Mr. Chairman.

The **Chairman**. All right.

Senator **Hickenlooper**. I would like to pass these around.

Senator **Aiken**. Incidentally, I have Senator Carlson's proxy for whatever might come up.

DIFFERENCES BETWEEN THE TWO VERSIONS

Senator **Wiley**. Mr. Chairman, can I ask the staff what the difference is between these two. I suppose I could read it and see it, but perhaps they can tell me.

Mr. **Marcy**. If you look at Senate Concurrent Resolution 22, the staff redraft in its second paragraph, the "Whereas, the Republic of China," the phrase is omitted which reads "is an original and continuing member of the United Nations which." And also in that same "Whereas" the phrase "as a peace-loving member of the community of nations," is omitted.

In the next "Whereas," which says "Whereas the Government of the Republic of China has demonstrated it is worthy," that whole "Whereas" is omitted.

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[1] Appendix A, page 675.

Then on the next page, page 2, all of the whereases there, except the last, are incorporated in the long "Whereas" in the staff draft except—I mean all of the ideas are incorporated, but such words as "blatant defiance" and "committed open aggression, including India," has been omitted. But I think all of the concepts are there.

The last "Whereas" of the Dirksen resolution is omitted.

This was in accordance with the staff's understanding that what the committee wanted to do was to compress the whereases, and especially to leave out that third "Whereas" and leave out some of the adjectives.

RESOLVING CLAUSES

Now, on the resolving clause, there are three resolving clauses in the Dirksen resolution. All of them are the same as in the Dirksen resolution, except for the first one.

In the first resolving clause, which shows as line 2, the phrase is omitted which says, "It supports the President in his affirmation that." That was done on the basis of a committee discussion of this the other day, when it was thought that what Congress should do was to express the sense of what the people of the United States thought, and not supporting the President in his affirmation of this statement.

Then on page 3, line 3, the phrase "as the representative of China" is omitted, and inserted in its place is the word "representation," so that that third line would read, "support that government's representation in the United Nations."

Senator **Hickenlooper**. Well, now, are you getting down into the two China policy?

Mr. **Marcy**. That is not committing it one way or the other.

Senator **Hickenlooper**. It is a leaning toward the two China policy.

Senator **Dodd**. May I ask a question, Mr. Chairman? I have some suggestions.

In proceeding informally, I take it, would it be better or more helpful, while we are talking about these other two—or would you prefer that I wait?

The **Chairman**. It is up to the committee. I am perfectly willing for anyone to start.

Senator **Dodd**. I just wanted to know whether it would be easier if we had the three of them before us.

The **Chairman**. I think it would be fine.

CONDEMNING NARCOTICS TRAFFIC

Senator **Hickenlooper**. This business I have handed around here—I have been fooling around with this a little. What you have on this brown piece of paper should have added to it the first "Whereas" in the Concurrent Resolution—this just takes up after the first "Whereas." I tried to compress it. I am not satisfied with the greatly compressed "Whereas" business here. I do not know whether this is any better particularly than the original resolution. But I am submitting it, anyway. There is some compression in there.

I have one thought that I would like to talk with you about, Senator Dodd. I am still in sympathy, of course, with the condemnation with regard to narcotics.

Senator DODD. That is the only new thing.

Senator HICKENLOOPER. This is, the narcotics traffic. However, it is my understanding that the narcotics traffic follows this pattern: that it goes from China, a substantial amount of it then goes to Turkey—that is, the raw opium goes to Turkey. It then goes through a semi-refinement process, and then it goes to Italy, where it goes through its final refinement process, in the main, possibly to Hong Kong, some of it.

Are we going to condemn Turkey and Italy? Now, the Governments of Turkey and Italy attempt to suppress this, I think. I do not know how vigorous they are, but they are implicated. That is the area of Turkey, anyway, and the area of Italy, are both implicated in the narcotics traffic, as I understand it.

Senator DODD. I had not known that.

Senator HICKENLOOPER. I am not out of sympathy with what you say.

Senator DODD. I base this altogether on Anslinger's view as he expresses it, particularly in this article which was published in March of this year. I have a copy of it here. He does not refer to these things—Turkey and Italy. So I did not know about that. It is a rather devastating article that he has published about the traffic in narcotics.

OPIUM TRAFFIC

To give you an idea of how bad it is, if you have not read it, they ship a lot of this stuff to Thailand. The Thai Government seized more than 8 tons of opium, he said; Burma, 2½ tons; Singapore and the Malay States, more than 2 tons.

Senator WILEY. When was that?

Senator DODD. Well, I take it this was in the last year. All together, it was a total of 15 tons that was seized in the Far Eastern countries alone. All this was, of course, illicit. And this is an enormous amount of opium.

Senator HICKENLOOPER. I am not at all out of sympathy with your condemnation of this.

Senator DODD. Of course, they get a huge amount of money out of this traffic. This in itself seems to be a serious disqualification for any government in the United Nations, if it is selling this vast amount of opium in illicit traffic around the world. It just seems wrong to me to allow a nation doing that to be in such an organization. I am sorry, this was in 1959, Senator Wiley. I think I said 1960. In the article, these amounts that I referred to are said to have been shipped in 1959.

ROLE OF TURKISH AND ITALIAN GOVERNMENTS

Senator LONG. Do the Governments of Turkey and Italy in any way condone the activities in this illicit narcotics traffic?

Senator DODD. I do not know.

Senator LONG. I would like to know this.

Bourke, do you know whether the Governments of Italy and Turkey in any way condone this illicit drug traffic?

Senator HICKENLOOPER. I am sure they do not. I am sure they cooperate in every way they can to try to stop it. I only raise that question because I understand there is a definite pattern, especially in the European trade. There is a semi-refinement that goes on in Turkey. It is illegal, sub rosa, and a bootlegging operation. And also in Italy. But they have these final refinements——

Senator LONG. They have plenty of influence in the government.

Senator HICKENLOOPER. I would not charge them, I think, openly. The Italian Government cooperates to try to suppress it, and they furnish police assistance to our people and other people in trying to suppress it.

ROLE OF COMMUNIST CHINA

Senator DODD. I was going to add that our delegation at the Narcotics Convention in Geneva in 1960 publicly took the position that this traffic was, of course, coming out of Red China.

Senator HICKENLOOPER. The origin of it, without doubt—the big bulk of the world supply of opium comes out with the connivance of the Chinese Government as part of their revenue.

Senator SPARKMAN. Tom brings out the point that this business is carried on in collaboration with the most depraved criminal elements in these countries, the non-Communist countries.

Senator DODD. I am sure that is so. I do not think that is an overstatement.

Senator SPARKMAN. That is what I say. It seems to me you more or less lift the burden off those countries.

Senator DODD. Yes, that is right.

The resolves in the draft I suggested are the same as those in the staff draft, and the whereases only differ in that one respect, I think.

Senator LONG. Was there actually an expression of genocide in that?

Senator DODD. I understood so. It has been described as such by the Tibetans, and indeed by others as well, as genocidal—to wipe them out from the race standpoint. That is why I use that language.

I might explain, Mr. Chairman, I underlined in the draft which I have submitted the language which is new and was not in the original resolution, the committee draft.

Senator AIKEN. I think it is well to set forth the reasons as plainly and strongly as possible for the effects on other countries.

Senator DODD. I thought so, too, Senator.

Senator AIKEN. That is why, when the original one was introduced, I did not think it was enough simply to register continuing opposition, without giving reasons for it.

NOT QUALIFIED FOR U.N. MEMBERSHIP

Senator LONG. Mr. Chairman, I would like to suggest that the word—whatever resolution we report out—that the word "unfit" be changed to "not qualified." Maybe I am in error, but I just entertain the hope that eventually there will be some change in the regime that might some day make the government of mainland China qualified for membership, if they would change their ways. I think the word "unfit" suggests that government could never be qualified under other conditions. And I think hope springs eternal, some day there may be a change.

Senator AIKEN. I think whether or not the word "unfit" remains in or not, "unqualified" should be added, because these are reasons why she does not qualify for membership—pretty good reasons.

Senator DODD. I think that is a good point.

Senator LONG. Frankly, I think the word——

The CHAIRMAN. What do you think of "unworthy"?

Senator LONG. "Not qualified"—they are not qualified for membership. "Not qualified" leaves open the possibility that if they change their way of doing business and come into compliance, that they could in the future be qualified. At this time they are not qualified. It seems to me as though sometimes you overstate your case, and that if they are not qualified, they should not be admitted—that is all.

Senator AIKEN. I think that the strongest argument for unqualification is their own announcement last September favoring the use of force in settling international disputes, because that is the cardinal purpose of the United Nations, to eliminate the use of force in settling international disputes.

Senator LONG. It seems to me as though the word "unfit"—unless you are going to say "presently unfit," I would rather we say "not qualified." To say somebody is unfit does not mean—it seems to me as though the language should convey the impression that if these people would stop doing all the things, and change their way of doing business to where they would release these prisoners, and they would make firm commitments, and give some evidence of their desire to refrain from aggression, and these various other measures of oppression, and stop their hostility toward other nations, that they could be qualified.

AN ESTABLISHED HABIT

Senator SYMINGTON. Mr. Chairman, I would like to associate myself with the remarks of the able Senator from Louisiana. But I would like to ask also, why are we passing this resolution? Is this the only country we are doing it on?

Senator SPARKMAN. Because if we do not, it will be added on the bill on the floor.

Senator SYMINGTON. Is that the reason?

Senator SPARKMAN. We have established the habit, year after year.

Senator AIKEN. By unanimous vote, probably. It will be on the floor, in one way or another.

Senator LONG. Then if you vote against it, you will have the John Birch Society running up and down the country saying you are for the Chinese Communists.

Senator SYMINGTON. Mine was a procedural question. Why don't we pass a resolution not to recognize Cuba, or some of these other countries?

The CHAIRMAN. The existing law has one which is called the Knowland amendment. It is similar to this. Senator Dirksen has notified the committee that unless we act upon it, he will offer it as an amendment to the Foreign Aid Bill.

Senator SYMINGTON. I see.

Senator AIKEN. The basis of the resolution is one by Dirksen, Mansfield, Keating——

Senator SYMINGTON. I read all that. There are a lot of countries I would like to pass a resolution on besides China.

Senator AIKEN. It will be on the floor. It is just a question of whether or not we should bring one out and meet the issue, or have a hassle on the floor.

Senator SYMINGTON. I am clear on it now.

The CHAIRMAN. First, is everybody agreed on changing "unfit" to "unqualified?"

Senator DODD. I agree.

Senator HICKENLOOPER. I would like to have you read this, to see what you think about it.

The CHAIRMAN. I thought we would read this, and then take yours. We can do it either way.

THE USE OF FORCE

While we are on this, might I suggest this, in line with Senator Aiken's amendment—see what you think of it. To add, at the end of the last line, "by its general hostility toward the United States and United Nations." Then add "and its assertion of its right to use force to impose its will upon its neighbors." That is the thought that Senator Aiken made. I think that is a good idea.

Senator DODD. I agree.

Senator AIKEN. It advocated the use of force. Russia made them soft pedal it a little bit afterwards, but it is still there. They did advocate the use of force. That was the statement where they said if they lost all but 300 million of their membership, that they could have a truly beautiful future.

The CHAIRMAN. I understood that it asserts its own right to use force.

Senator AIKEN. I think that is the thing which disqualifies them from membership as much as anything.

The CHAIRMAN. I think so, too.

Senator SPARKMAN. It certainly has not renounced the use of force against Formosa.

A BLANKET INDICTMENT

Senator HICKENLOOPER. I have a feeling that we are on safer ground when—when you start to delineate and specify, then sometimes the things you leave out are more critical than the things you put in. If you can keep it rather general, which will be a blanket indictment in various fields, I think you do not get into as much trouble, because of somebody saying "why didn't you put in this particular thing," or that, or the other.

Senator AIKEN. We did that yesterday. We put in everything else we could think of.

The **Chairman**. I have that feeling about many of these things, these general statements. If you go too far, you do leave yourself open to that.

Senator **Sparkman**. I was going to suggest, Mr. Chairman, that I rather like Tom's method of specifying these different counts in the indictment. I do believe, though, that we ought to check them very carefully in order to make sure that we are accurate on all of them, because if we have a weak spot at any one place, of course we make ourselves vulnerable. That is the reason I was interested in the statement that Senator Long asked a while ago, about the genocidal repression in Tibet. I did not know that it was of such nature that it could be referred to as genocidal.

MOST BRUTAL REGIME IN HISTORY

Senator **Symington**. I think the top of page 2—I always like to concur with my colleague from Connecticut—but I think that language is awfully strong—"flagrantly violated every human right—most brutal regime known in history." That is pretty strong language.

The **Chairman**. It is not very different from Hitler's, I guess. Hitler's was pretty bad.

Senator **Symington**. Genghis Kahn was a rough fellow. Atilla was pretty rough, I understand.

Senator **Humphrey**. Mr. Chairman, the meat of this resolution is in the first two whereases. The third whereas—if you leave out the particulars—"whereas the Chinese Communist regime has demonstrated it is unfit for representation in the United Nations," and then "resolved by the Senate"—the resolves are the guts of it. This is what we are really trying to get on record. That is, the three resolves on page 2. It seems to me that even if you took the first two whereases, and maybe a more generalized third one, and then took the three resolves, you would have a good resolution.

Senator **Dodd**. I cannot give you the documentation. I have been racking my brain on the genocidal matter. I have read it a couple of times. I have some notes on my desk in the office.

Senator **Sparkman**. I just did not know. I do not dispute it.

Senator **Dodd**. I think it was the Tibetan people who made that charge.

RELATION TO GENOCIDE TREATY

The **Chairman**. Tom, do you think such a statement would lay us open to the rejoinder that "well you have not approved the genocide treaty." As a matter of fact, this committee has refused to accept it for a long time. When Senator [Walter] George was chairman, I remember it came up several times. As I recall it, he was opposed to it quite strongly, and we never did approve of it. I do not know but what someone will say "who are you to talk? You never accepted the genocide treaty."

Senator **Humphrey**. I think we ought to approve the treaty.

The **Chairman**. Well, that may be. But since we have not—you get the cart before the horse.

Senator **Dodd**. I remember it, Senator, because I came down and testified before the Senate committee in favor of the genocide convention at the time. I think this was back in 1949, if I remember correctly. I remember appearing and testifying.

The **Chairman**. Well, we fought over it with many of our southern friends, and especially Senator George felt that this could be interpreted as giving the United Nations a right to move into domestic affairs in this country, to supervise our own problems that we are trying to deal with, and so on.

Senator **Hickenlooper**. To transport people overseas for trial was in there. I was on the subcommittee of that. I was in a minority of one on a subcommittee of three that opposed it. I opposed the genocide treaty, which I think has very cogent reasons supporting our position.

Senator **Dodd**. I only say this. It has been in fact the genocidal. That would seem to me to be the controlling factor. What we did or failed to do about genocide—if in fact it has been genocidal, as the term is understood, then it would seem right for me to have it in the resolution.

THE NATIONALISTS DO NOT OCCUPY THE TERRITORY

Senator **Sparkman**. Tom, if I may go a little further on what I believe Hubert Humphrey raised a while ago—the "whereas" at the top of page 2—someone said that was very strong. It is very strong. That part—"and is completely without authority to speak for the Chinese people other than the authority that derives from the usurpation and tyranny"—now of course we all believe that that is true. But don't they throw right back at you—"well, what claim has Nationalist China to speak for the Chinese people, since they do not occupy the territory?"

Senator **Hickenlooper**. That is the reason the Nationalist Chinese people have been recognized as the representative of China by more nations than refused to recognize them.

Senator **Sparkman**. Yes. But the great mass of people are over there.

I believe what you say there. But at the same time I think we ought to be certain of the statements that we make.

Senator **Dodd**. I can see your point. My answer to that would be that whatever may be the case for the Formosan Chinese, weak or strong, there is no case at all for the Red Chinese. It conceivably in my mind could be true that the Formosan Chinese would have no claim. But that would not negate the situation with respect to Red China.

Senator **Sparkman**. But we are starting out affirmatively or in the resolving part we are starting out, and we do take the affirmative stand for the Republic of China.

Senator **Dodd**. Yes, I know.

Senator **Sparkman**. I am lost among all these whereases.

The **Chairman**. Gentlemen, what is the will of the committee? Do I hear a motion?

Senator **Humphrey**. Mr. Chairman, may I address myself once more to this?

The **Chairman**. You may.

GLARING OMISSIONS

Senator **Humphrey**. I think Senator Dodd's resolution, in the first two whereases, on the positive, affirmative statement, is very desirable. The third one, I think the point is well made. The omissions might be as glaring as the assertions. And you have to be careful of the detail.

Senator **Hickenlooper**. Have you read this?

Senator **Humphrey**. The second part here?

The **Chairman**. That is Senator Hickenlooper's suggestion.

Senator **Humphrey**. Yes, I like those. I like the language there. I did not know whose this was. I like that series of whereases. They are more general, and yet they, I think, cover——

Senator **Hickenlooper**. My feeling is when we specify, we get into trouble because of the things we leave out.

Senator **Aiken**. We can easily take care of that. We can add a last one—as the fellow says, if there is anything else I have not called, you are it.

Senator **Humphrey**. I want to repeat—I think the three resolves that you have, Senator Dodd, are exactly what needs to be said.

Senator **Dodd**. They are the same as the committee draft.

Senator **Humphrey**. And the first two whereases—and possibly the blending of these Hickenlooper-Dodd proposals in the third whereas would take care of it. I would suggest that that fourth one could be also sort of modified and blended in with a central generalized statement.

BY ITS GENERAL HOSTILITY

Senator **Dodd**. Other threats. May I explain a minute? I think the difference between my view and that of Senator Hickenlooper, is what I try to do here was to specify some detail, and with some clarity, the grounds for our position. I frankly recognize the value in the more general expression. It seems to me it is a question of what you think would be most effective under the circumstances. My own view is that it would be more effective to list them. That is why I did it that way.

As to the point that you cannot include everything, I am sure that is true. But I think that is always true. It is always a hazard, anyway. So what we do is the best we can on the information available.

I think Senator Hickenlooper said lightly that we could add a catch-all phrase. In a sense we have, when we say "by its general hostility."

The suggestion that Senator Fulbright made about adding to that final—"general hostility, by its advocacy of the use of force"—I think that is a good suggestion. I think what needs to be done here, if I may say so, is to spell out clearly, with some definiteness, just why we feel as we do. And I am afraid that a general statement will fall short of what people may think we should do.

Senator **Humphrey**. Is that narcotics charge fully substantiated?

Senator **Dodd**. I believe it is. I base it entirely on Mr. Anslinger's statement, and on particularly an article that he published, in which he says that and more.

A DEVELOPING APPEASEMENT

Senator **Symington**. Very seldom do you and I not see everything eye-to-eye. I want to give my position on this, if I may.

I think that in this country today we have a developing appeasement. I think it is very broad and it is very deep, and I think it is growing. I personally think it is one of the reasons for the success and the subconscious reaction, which is going to get more and more conscious, of things like the Birch Society. I think as the situation develops in the world today, that the Birch Society is going to be more on the side of the angels than some of these people who I think are appeasers.

I am not arguing for any restraint with respect to what we think we should do. On the other hand, I believe, and have for many years, that the greatest single remark ever made about what our strength of position should be was made by Theodore Roosevelt when he said, "Speak softly and carry a big stick."

I think this language is pretty strong against any country. We are never going to beat anybody with words, although it is beginning to look as if more and more people are beginning to think so. And you know how I feel. We have always been together on the defense issue. But I think a word like "genocidal," "depraved," are pretty strong words—there is one other word here—"equally mendacious." These are strong terms. And then "most brutal regime in history," I do not think that is true. I do not think that is accurate.

Now, we can cuss the devil out of these people in the Senate. That is not going to give our boys more guns or better planes, or so forth, which is what I worry about.

I agree with Senator Hickenlooper. I think if you get too specific, especially with the language as severe as this, that you might do two things: You might get a reaction in the country against it; and you might get the Chinese Communists and other people who do not feel the way we do bitter about it.

I might say, for example, the biggest argument against recognizing the Chinese Communists to me is what the people who have recognized them say about what happens after they recognize them. I notice in a column by David Lawrence, however, this Britisher said—"Oh, well, we did not get any results." The heck they didn't. They got plenty of trade out of it over a period of years, and so forth. So they did get a lot out of it.

I think this is awfully strong language.

INCLINED TO BE IMMODERATE

Senator **Hickenlooper**. Now, this farm bill is up on the floor. George Aiken and I have some interest in it. I would like the opportunity, if we can, to go through the particular whereases and see what is wrong with them.

Now, I have no objection—in fact I am thoroughly sympathetic with the expression on narcotics, and so on, if it can be worked in.

But taking the first resolve of the concurrent resolution——

Senator **Dodd**. Senator, would you yield to me just a moment?

To answer Senator Symington—I quite understand his feeling about it. Perhaps in that last "Whereas" I should have said "has flagrantly violated about every human right," or some word of that kind. I think in reading it over there should be some qualifying statement.

Senator HUMPHREY. "Has flagrantly violated human rights."

Senator DODD. "And imposed on the Chinese people one of the most." I think that is more moderate. I am inclined to be immoderate, I am afraid, regarding these things. I think that is an improvement on it.

If I may say this—I do not think either we can beat them with words. But words are our only tool. We are faced here with a situation where our colleagues have submitted a resolution, which is also written in words, and that is pretty much the way the world is—it is words we are using to fight each other with, and some wealth.

Senator SYMINGTON. That is a good answer. I have oversimplified it.

Senator DODD. It seems to me we have nothing else to use in a situation like this, except these descriptive words. I do not want to be immoderate or excessive about it. Yet it seems to me it is fairly factual.

On the general title question, because I cannot remember my authority—I know I made the notes; I read it somewhere, I did not pick it out of the air—but I cannot give you the answer at this time. I will try to get it in a few minutes.

NATIONALIST CHINA

Senator HICKENLOOPER. As far as this resolution proposes, and as far as the brown sheet is concerned, it would include the first "Whereas" in the Concurrent Resolution 22, which says, "Whereas, the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors." That is a statement which is not in dispute.

Then going to the top of the brown sheet—"Whereas, the Republic of China is an original and continuing member of the United Nations and has faithfully discharged its obligations under the Charter of the United Nations as a peace-loving member of the community of nations, and is a worthy custodian and representative of the great tradition and culture of the Chinese people," I do not believe that is an extravagant statement.

Senator SYMINGTON. Why don't we put all that in?

Senator HICKENLOOPER. I am just trying to get it paragraph by paragraph.

Senator SYMINGTON. Well, some of the Chinese culture—those warlords. Now, just because I am against Communist China doesn't mean——

Senator HICKENLOOPER. Well, Nationalist China has done a remarkable job on the Island of Formosa.

Senator SYMINGTON. My only point is that if this is going to be something against the Chinese Communists going into the United Nations, I am going to be for it. But I do not want at the same time to praise to the skys in any way——

Senator HICKENLOOPER. All right. I would just as soon have it without "is a worthy custodian and representative."

The CHAIRMAN. I would be for that.

Senator HICKENLOOPER. I do not think that is necessary at all.

Senator SYMINGTON. What's the matter with the blue stuff here, on the staff study? To me it looks pretty good.

Senator HICKENLOOPER. I am merely trying to canvass the paragraph on the brown sheet.

Senator SYMINGTON. But that is not on the brown sheet, the one you just read.

Senator HICKENLOOPER. This is a substitution.

Senator SYMINGTON. I would say here, "Whereas, the Republic of China has faithfully discharged its obligations to the Charter of the United Nations"—I would like to say it is no surprise, because we have been supporting them ever since they have been in the United Nations.

Now, what is the matter with the preamble on the staff's suggestion?

Senator HUMPHREY. The whole body of that draft concurrent resolution, Stu, is very good. That third "Whereas" covers all of these many transgressions and violations.

Senator HICKENLOOPER. May we move on?

Senator SYMINGTON. Bourke, I beg your pardon. I did not have your brown sheet.

Senator HICKENLOOPER. As far as I am concerned, on that first "Whereas," on this brown sheet, I would just as soon cut out that "worthy custodian and representative of the great tradition." That is a little surplusage.

The CHAIRMAN. Well, in order to get on—the Senator has a right to change it.

INDICTED AS AN AGGRESSOR

Senator HICKENLOOPER.

> Whereas, the Chinese Communist regime continues its defiance of the United Nations and its principles and stands indicted by the United Nations as an aggressor and boasts openly of its victory over the United Nations Forces in Korea.

Is that incorrect?

Senator HUMPHREY. I would knock out the last part, because why give it a chance to even say they boast of the victory. The main thing is that they stand indicted as an aggressor.

Senator LAUSCHE. They have a right to boast about it—that is what I would say—in the face of what happened. And we cannot complain about that. But it is an aggressor, and it has violated the orders of the United Nations.

Senator HICKENLOOPER. So far as it boasting openly about it, I think that goes very materially to its definace of the United Nations and its principles.

Now, if you want to cut it out, it's all right.

Senator HUMPHREY. You say it continues its defiance up there.

Senator HICKENLOOPER. If you want to cut out that "both openly."

The CHAIRMAN. It sort of lends credence to it that it had a victory.

Senator HICKENLOOPER. I put it in because it was in the other one. I did not originate it.

Senator HUMPHREY. It is a weak part of the other one.

Senator HICKENLOOPER. Then the next whereas, "Whereas, the Chinese Communist regime continues to suppress human rights on the mainland of China and in Tibet, and threatens world peace through aggression against neighboring countries."

Is there anything improper or untrue about that?

The CHAIRMAN. I think that is OK.

RELEASE OF AMERICAN PRISONERS

Senator HICKENLOOPER. And then go to the next one—"Whereas, the Chinese Communist regime continues its attitude of hostility toward the United States and refuses to honor its commitments to release American prisoners." I think that is a true statement.

The CHAIRMAN. I think it is, too. What do you think of broadening "United States and other nations."

Senator HICKENLOOPER. I do not know whether it refuses to release other prisoners or not.

The CHAIRMAN. Well, not as to the prisoners, but just hostility—it is not just us.

Senator HICKENLOOPER. You can say, "United States and other free nations."

Senator SYMINGTON. Why use the word "free"—"other nations." Somebody says it is a little hostile toward Soviet Russia.

NOTORIOUS VIOLATION OF PEACEFUL SETTLEMENTS

Senator HICKENLOOPER. And then the last, "Whereas, the Chinese Communist regime is in notorious violation of and opposition to the basic principles upon which the United Nations is founded." I think basically that that is the guts of the whole thing. They stand in open and notorious violation of the basic principles of nonaggression and peaceful settlement of disputes, and all the things that the United Nations is founded on.

Now, my thought in this is that there is a basis laid as to why they are not qualified to join the United Nations. I do not believe the church is going to take me in if I stand in open violation of their dogma and morals and what the church believes in. I have tried to keep away from specifics here, just because you get into trouble when you eliminate certain things.

Senator AIKEN. Mr. Chairman, we will have to submit a report with this resolution. How would it be for the resolution itself to be of a general nature, and then for the report to use these things which Tom has pointed out in his substitute? Could that be done.

The CHAIRMAN. Of course, it can be done.

Senator HICKENLOOPER. It can be done, but the trouble with the report is it never gets out of the Senate, and the resolution is read by foreign nations.

GENOCIDE IN TIBET

Senator DODD. I called my office. It was the International Committee of Jurists that in its report described the repression in Tibet as genocidal.

Now, India has the largest delegation on that International Committee. That committee has been in existence since 1955. You may remember that it wrote its report on the Hungarian situation, which was widely acclaimed. It has a kind of status with the United Nations as an affiliated organization. So I remembered I had it somewhere. That is where it is. I have asked the office to get a copy of the report from the Congressional Library. But that is why I use the language "genocidal," because that is what the report said.

Senator SYMINGTON. On this question of genocidal, don't you think the word "conquest" ought to be in there somewhere? I mean the thing is that they illegally or aggressively, or what have you—they conquered Tibet.

Senator HICKENLOOPER. Well, there is a legalistic question there, Stu. There is a traditional historic hassle as to whether or not Tibet has been under the dominion of China in years past. Even the Chinese Nationalists claim that Tibet is a part of their sovereign territory. That is one of the situations where there isn't much disagreement between the Chinese Communists and the Chinese Nationalists.

AGGRESSOR AGAINST KOREA

Senator LAUSCHE. You mention China and Tibet. Nowhere do you mention Korea in your whereas clause. And what about Burma and India?

Senator HICKENLOOPER. Well, yes. They wanted to cut that out. In the brown sheet you will find it says, "and boasts openly of its victory of over the United Nations Forces in Korea." But it was thought maybe that gave emphasis to the fact that maybe they did have a victory in Korea. And we thought we would cut that out.

The CHAIRMAN. I think you would add "indicted by the United Nations as an aggressor against Korea."

Senator LAUSCHE. Yes, Korea should be mentioned up above. Why is Burma left out of this—Burma and India?

Senator HICKENLOOPER. The reason for it is if you begin to specify, then the things you leave out, everybody will ask you, "Why did you leave out this and that?"

Senator SYMINGTON. I do think you could talk about Tibet, though, especially as a result of your explanation a minute ago to my question. There is no reason you should not talk about India.

Senator HICKENLOOPER. The reason that Tibet is mentioned there in connection with China is that it suppresses human rights on the mainland of China and in Tibet. Now, you get away from trying to decide whether they have sovereignty over Tibet or not. They are suppressing human rights in Tibet.

Senator SYMINGTON. Well, you suppress human rights in India, didn't you?

CHOICE BETWEEN THREE ALTERNATIVES

The CHAIRMAN. Gentlemen, may I suggest that the Senator from Alabama has to leave at noon, and I have an appointment. Could we bring this to a close? We have three alternatives here. I like them all, in a way. But we have to make a choice.

Senator DODD. Mr. Chairman, may I make a suggestion?

Senator SYMINGTON. Mr. Chairman, I am going to simplify this. I am going to leave my proxy with you. I just hope the language is not too harsh.

Senator DODD. Senator Fulbright, supposing I formally offer my draft as a substitute for the staff draft.

The CHAIRMAN. All right. That is a good way to bring it to a head.

Senator HICKENLOOPER. The staff draft is not before the committee.

Senator DODD. Then the Resolution 22. By the way, I do offer it, of course, as Senator Symington reminded me, with the changes I suggested.

Senator HICKENLOOPER. It is a parliamentary situation. I prefer what I believe to be a more generalized draft, such as contained in this brown sheet added in there. I do not like to vote against yours. But I would vote for this one.

The CHAIRMAN. Well, we are in a position to have to make a choice. I could live with any of them.

Senator AIKEN. Let Bourke offer his first. I suspect it will be defeated. And then let Tom offer his. I suspect it will be approved.

The CHAIRMAN. All right. Before we vote, is there any serious objection to the staff's—so we have all three of them and we can make a choice.

Senator LAUSCHE. I give you my proxy. As far as I am concerned, if you make a mistake, make it in the direction of being too severe.

Senator HICKENLOOPER. How do you want to vote on this brown sheet business?

The CHAIRMAN. Listen, everybody runs off here. Why not stay and vote?

Senator HICKENLOOPER. The brown sheet would include the first "Whereas" in the concurrent resolution, which is not put on the brown sheet. You have the first whereas.

The CHAIRMAN. That is right. That is understood.

Senator HICKENLOOPER. I offer that.

The CHAIRMAN. Now, we have three different choices here. They are quite similar, actually. They are a little different in language.

Senator HICKENLOOPER. And the brown sheet is amended by the elimination of those two things, and the addition of "against Korea," and the addition, "and other nations."

The CHAIRMAN. That is right. That is understood. So we ought to bring it to a vote.

The Senator from Wisconsin wishes to make a comment.

IMPRESS THE CHINESE

Senator WILEY. Well, I thank you very much. I appreciate the opportunity at long last. It is a wonderful thing to get in on this round robin.

I want to say frankly that, as I have listened, I asked myself what is the purpose of this resolution. It must be, first, we want to impress the American people with something. Second, we want to impress the world with something. But more important than anything else, we want to impress the 500 million Chinese, who are under the thumb of Mao Tse-tung. Now, if that is the case, how are you going to go about it? That is why I like the specifics as set up. And it seems to me that if you are talking to the Chinese over there, you are simply saying in substance, "we do not like the regime, but we do like you." It is like the Russian people. We are not at war with the Russian people; we have a cold war with the regime.

Now, someone said the other day if we are smart we will do everything we can to contact the common people. In this particular case, I personally feel that, while I have not any particular desire to become controversial, I think if we take the Dodd resolution, add to it the things that have been suggested out of Hickenlooper's, and any of the others, but keep your specifics, so that the people that read it know why we are doing it, and what kind of people we are talking about—we can simply in a general way tell that we do not like the Communist regime, but what good does it do? The people want to know why you do not like them. And here he sets it up.

That is why it seems to me, with the additions that have been suggested, it could be gotten out, reborn under the direction of the staff, and we would have something that would fit into the situation.

Thank you, Mr. Chairman.

TORN BETWEEN LOVE AND HATE

The CHAIRMAN. All right. The motion before the committee is from the Senator of Iowa to substitute his whereases. Are the resolves included in this motion, or just the whereases?

Senator HICKENLOOPER. The original resolve in the original motion would suit me. We could take those up separately.

The CHAIRMAN. We will take those up separately, because I like the resolves in the staff draft.

Senator SPARKMAN. Mr. Chairman, I just want to ask a question. As I understand it, we are faced with a difficult situation here. We may have preferences as to one or the other. If Senator Hickenlooper's proposal is voted down, then Senator Dodd's would come up. If it is approved, that ends it, is that right?

The CHAIRMAN. That is right—with this, I think, understanding: that if we light upon either one, particularly if the sponsor would like some minor changes—we make a judgment as to which one of these in general appeal to us. I think we ought to not foreclose—if Senator Hickenlooper wishes to make a change, we could consider it. But that means that in general is the right approach. We have to get started on one or the other of these three approaches.

Senator SPARKMAN. I would gladly accept either one of the three. But frankly my preference would be for the one the staff prepared.

The CHAIRMAN. That is my preference.

Senator SPARKMAN. It seems to me it is covered in general terms. But I could easily accept either one of the three.

Senator SYMINGTON. As long as we are discussing this a little more, I must say that Senator Wiley's thought appealed to me about Senator Dodd's situation. The people are torn between love and hate. I think that to say to the people these are the reasons why we are opposed to it, makes sense to me. If you put this in, it seems to me your story is better.

The **Chairman**. I could live with any one of them. But we have to make up our minds. I would not feel badly about Senator Dodd's—I like it, too. The other one I think is simpler. I am a little worried, which I have said, about people saying you all talk about genocide, but you have turned down the genocide treaty. It is merely that you assert this as something. And we in the South have been very sensitive about it. That is the only thing about it that really bothers me.

Anyway, why don't we bring it to a vote? I think all of us could live with any one of them.

DEFEAT OF SENATOR HICKENLOOPER'S MOTION

Senator Hickenlooper moves to adopt his, and if he wishes to change a word or two——

Senator **Hickenlooper**. Well, those have been changed.

The **Chairman**. Call the roll, Mr. Clerk.

Mr. **Marcy**. Senator Sparkman.

Senator **Sparkman**. No.

Mr. **Marcy**. Senator Humphrey.

The **Chairman**. No.

Mr. **Marcy**. Senator Mansfield.

The **Chairman**. No.

Mr. **Marcy**. Senator Morse.

Senator **Long**.

Senator **Sparkman**. No. I have his proxy.

Mr. **Marcy**. Senator Gore.

The **Chairman**. No.

Mr. **Marcy**. Senator Lausche.

Senator **Lausche**. No.

Mr. **Marcy**. Senator Church.

The **Chairman**. No.

Mr. **Marcy**. Senator Symington.

Senator **Symington**. No.

Mr. **Marcy**. Senator Dodd.

Senator **Dodd**. No.

Mr. **Marcy**. Senator Wiley.

Senator **Wiley**. I pass.

Mr. **Marcy**. Senator Hickenlooper.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. Senator Aiken.

Senator **Aiken**. Aye.

Mr. **Marcy**. Senator Capehart.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. Senator Carlson.

Senator **Aiken**. Aye.

Mr. **Marcy**. Senator Williams.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. The Chairman.

The **Chairman**. No.

Mr. **Marcy**. Five "ayes," ten "nays."

The **Chairman**. The motion is lost.

CHANGES IN LANGUAGE

Senator **Dodd**. Mr. Chairman, I would like to move to strike out the word "genocidal" and use the word "brutal."

Senator **Sparkman**. I think that is preferable.

Senator **Dodd**. There is another word.

Senator **Symington**. I would recommend the word "depraved" be taken out.

Senator **Dodd**. All right. I will strike that—"depraved."

Also, Mr. Chairman, I would like to adopt the language you suggested.

The **Chairman**. I have it. "and its assertion of its right to use force to impose its will upon its neighbors."

All right. Are you ready to vote?

Senator **Wiley**. Does that motion embody any of the matters we have discussed in the Hickenlooper suggestion?

Senator **Dodd**. I do not think so, no.

DEFEAT OF SENATOR DODD'S MOTION

The **Chairman**. All right. Are you ready for the vote?

Mr. Clerk, call the roll.

Mr. **Marcy**. Senator Sparkman.

Senator **Sparkman**. No.

Mr. **Marcy**. Senator Humphrey.

The **Chairman**. No.

Mr. **Marcy**. Senator Mansfield.

The **Chairman**. No.

Mr. **Marcy**. Senator Morse.

Senator **Long**.

Senator **Sparkman**. No.

Mr. **Marcy**. Senator Gore.

The **Chairman**. No.

Mr. **Marcy**. Senator Lausche.

Senator **Dodd**. Aye.

Mr. **Marcy**. Senator Church.

The **Chairman**. No.

Mr. **Marcy**. Senator Symington.

Senator **Symington**. Aye.

Mr. **Marcy**. Senator Dodd.

Senator **Dodd**. Aye.

Mr. **Marcy**. Senator Wiley.

Senator **Wiley**. Aye.

Mr. **Marcy**. Senator Hickenlooper.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. Senator Aiken.

Senator **Aiken**. No.

Mr. **Marcy**. Senator Capehart.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. Senator Carlson.

Senator **Aiken**. No.

Mr. **Marcy**. Senator Williams.

Senator **Hickenlooper**. Aye.

Mr. **Marcy**. The Chairman.

The **Chairman**. No.

Mr. Marcy. The vote is seven "ayes" and nine "nays." The motion is lost.

PASSAGE OF THE STAFF PROPOSAL

The Chairman. Now it reverts to the other one, the staff proposal.

Call the roll.

Senator Aiken. On that staff proposal, what about that word "unfit"? Was that changed to "unqualified"?

The Chairman. I think by general acclaim it is agreed.

Senator Aiken. I thought so.

The Chairman. "Unqualified."

Senator Symington. "Not qualified."

The Chairman. All right—either way.

Senator Symington. I think there is a big difference. "unqualified" is in effect unfit.

The Chairman. I think you are correct. "not qualified."

Senator Aiken. The word "unfit" could stay in, but I think the words "not qualified" should be in with it.

The Chairman. Well, before Senator Long and others seemed to think that was best. Are you ready for the vote?

Senator Aiken. What about the resolve clauses?

The Chairman. We are going to take that up as soon as we dispose of this.

Call the roll.

Mr. Marcy. Senator Sparkman.

Senator Sparkman. Aye.

Mr. Marcy. Senator Humphrey.

The Chairman. Aye.

Mr. Marcy. Senator Mansfield.

The Chairman. Aye.

Mr. Marcy. Senator Morse.

Senator Long.

Senator Sparkman. Aye.

Mr. Marcy. Senator Gore.

The Chairman. Aye.

Mr. Marcy. Senator Lausche.

Senator Dodd. No.

Mr. Marcy. Senator Church.

The Chairman. Aye.

Mr. Marcy. Senator Symington.

Senator Symington. Aye.

Mr. Marcy. Senator Dodd.

Senator Dodd. No.

Mr. Marcy. Senator Wiley.

Senator Wiley. I pass.

Mr. Marcy. Senator Hickenlooper.

Senator Hickenlooper. I am voting aye. I do not think it is adequate, but I am voting aye.

Mr. Marcy. Senator Aiken.

Senator Aiken. Aye.

Mr. Marcy. Senator Capehart.

Senator Hickenlooper. Aye. That is on the same basis of my vote.

Mr. MARCY. Senator Carlson.

Senator AIKEN. Aye.

Mr. MARCY. Senator Williams.

Senator HICKENLOOPER. Aye, on the same basis.

Mr. MARCY. The Chairman.

The CHAIRMAN. Aye.

Mr. MARCY. The vote is 13 "ayes," 2 "nays."

The CHAIRMAN. The motion is carried.

Now, on the resolve—are we ready to vote on that?

THE TWO-CHINA POLICY

Senator SPARKMAN. I think all had about the same resolves. The only difference that I can see of any importance is page 2, the words "government's representation" in place of "government as the representative of China." I think that is the only significant change.

Senator HICKENLOOPER. I think that is a very significant change.

The CHAIRMAN. It is.

Senator HICKENLOOPER. That is the two-China policy right there, changing our basic policy for the first time. I cannot support that.

The CHAIRMAN. Let me say that the State Department's position is this: They are fearful that, as we have already heard, we may be faced with a defeat, and they wish to be free to try to retain the representation of free China, that is the Republic of China, in case we are defeated. They want some maneuverability in it. This is their request.

Senator SYMINGTON. Could I ask where this appears?

The CHAIRMAN. If they are defeated, they do not want to be in the position of—they hope this would help them not be defeated.

Senator SPARKMAN. As I understand it, Red China is going to insist, if it comes in, that Nationalist China be kicked out. And she certainly will have some support on that end of it. And our Government wants to be in a position, backed up by the Congress, that it be retained.

Senator AIKEN. I think the first efforts will be to seat Red China as a representative of China, which this resolution covers. We oppose that. We support the other, the Nationalists as representatives of China.

Senator HICKENLOOPER. We have continuously and unremittingly recognized the Republic of China as the representative of China in the United Nations. This resolution changes that philosophy and is the first step toward the two-China policy, which I am not ready to take.

LEAVE STATE DEPARTMENT ROOM TO NEGOTIATE

The CHAIRMAN. Well, I do not think this is an explicit approval of that. The way they put it is that they are the people that have to do the negotiating. We sit here and give them orders, and then if they fail, we blame them for it.

I think that they should have some flexibility.

Senator SYMINGTON. I agree with that, Mr. Chairman.

The CHAIRMAN. That is the only point. We say you do this—then if they fail, they are the ones that take the rap on it, and we don't.

They are not recommending two Chinas. They merely say that they anticipate trouble. When Pakistan, one of our strongest allies, is in a position and notifies us they are going to vote against the continuation of the moratorium, it is very serious. And they think the best we can get out of it, if this develops, is the retention of Taiwan's representation, and we believe we have a good case for that on self determination principles and others. That is the reasoning. That is all there is to it.

Ready with the vote?

Do you want to say anything, Senator Wiley?

Senator WILEY. Talking about the tail end of this?

The CHAIRMAN. Talking about the resolve. It is really only that one point.

Senator HICKENLOOPER. Yes. And I think it is very fundamental. I think it is very basic.

The CHAIRMAN. Well, we are faced with a bad situation, as you know.

Senator HICKENLOOPER. Just because there might be some ease of manipulation, I cannot see the justification for changing our consistent position and attitude, and adopt the two-China policy.

Senator SYMINGTON. Mr. Chairman, it worries me that the Senator from Iowa feels that way about it as strongly as he does. I respect his opinion, but I don't think we are changing the policy.

The CHAIRMAN. I do not either. It is not certainly an explicit change. It leaves that point vague. We still support this govenment's representation. It is the only one we support. We do not support the other one. Nobody is advocating we admit it or recognize it or support it. I think the Senator reads into it far more than is intended.

Senator AIKEN. I don't think we should imply in this resolution that we would approve the seating of Red China.

The CHAIRMAN. We do not.

Senator AIKEN. I think it weakens our bargaining position.

INTIMATIONS OF A POLICY CHANGE

The CHAIRMAN. "The United States shall continue to oppose the seating of the Chinese Communist regime so long as that regime persists in defying the principles of the United Nations Charter."

Suppose you had a collapse, and you had some new regime, like you have in Korea.

Senator AIKEN. It is the paragraph before that carries the strongest implication that we would support the two Chinas.

Senator HICKENLOOPER. That is it.

Senator AIKEN. Not that one.

The CHAIRMAN. But that very clearly says we do oppose the seating of the Chinese Communist regime.

Senator AIKEN. I think that second "resolved" intimates that maybe 10, 15 or 20 years from now we might do it. But the first one intimates that we might do it right away.

The CHAIRMAN. I think you read that into it. It does not say that.

Senator DODD. Mr. Chairman, as I understand Senator Hickenlooper, he is fearful that this suggested change will open the resolution to two interpretations—the one which some members give it, that it does not really mean we are going to do anything different from what we have been doing, and that it may convey the impression to some people that this is a change in policy. As I understand him, his fear is that in such a situation it is better to tighten it up and make clear that there is no change.

Senator HICKENLOOPER. Well, my contention is that it would not be tightening it up to use the language of the original resolution. It would be perfectly consistent with our position all the way through, that the Formosa regime is the representative of China, it sits on the Security Council, it has its representatives in the General Assembly, and we are for the first time softening that attitude and changing it and moving toward—it can well be interpreted as moving toward—the two-China policy. Now, maybe we will have to take the two-China policy at some time in the future.

Senator DODD. I think the Senator misunderstands me. The Senator's language may be interpreted as exactly my point.

A PRACTICAL SITUATION

Senator AIKEN. Mr. Chairman, I think we are faced with the practical situation we are faced with in the whole resolution. If we leave in here a strong intimation that we will come out for the two-Chinas, it will certainly get taken out on the floor of the Senate by almost unanimous vote. It is a practical situation.

Senator HICKENLOOPER. Therefore I support the original resolves in the original resolution. That is my position.

The CHAIRMAN. I do not know how to resolve it other than vote. I do not feel personally very strong about this. I would support either one. I feel it my duty to present the administration's point of view. I think they are faced with the situation that has deteriorated since this was originally passed.

I think it is my duty, and most of those who hope that can succeed, in using some trading position. The thought is that if we can insist upon the Republic of China's representation, and can get enough votes to support that, that the Communist Chinese won't accept it. That is what many people think. If you are faced with the other, you have to take a choice—we are not going to give an inch—then they are fearful we will get beat, and you will get the Red Chinese in and the others out on a vote. And that would be a very serious setback. Now, that is their theory. That is the thing they base it on. Who am I to sit here and say no, we are not going to let you do it.

SOFTENING UP ATTITUDE

Senator HICKENLOOPER. I feel the same way about this particular softening up attitude, just like the old story about the kid that took the cow to market and the buyer asked how much he wanted for it, and the kid said "dad said to try to get $25, but if you can't get $25 take $15." We are saying to the world here that we are softening up on this thing. I would rather keep our position firm.

The CHAIRMAN. We are not softening up. The situation has changed in the world. We are in a lot different situation.

Senator AIKEN. I would say the State Department language practically announces that they have decided to support the two-China policy.

The CHAIRMAN. Let me ask you this, Senator Hickenlooper. Suppose we take that—would that mean that the resolution then as voted out would receive, for all practical purposes, unanimous support?

Senator HICKENLOOPER. I am prepared to support the resolution with the original resolving clauses.

The CHAIRMAN. And the whereases as we have adopted them?

Senator HICKENLOOPER. Yes. I would prefer the brown sheet.

The CHAIRMAN. I know. But we had to make a decision.

Senator HICKENLOOPER. I am supporting the whereases put in.

SUPPORT ON THE SENATE FLOOR

The CHAIRMAN. What I am getting at is, this argument—and it is the only one I think that is appealing—that if this is so crucial, you feel that you could not support it with the administration's request and would use all your influence to change this on the floor. But on the contrary, if we did accept your suggestion, that then you and, you believe, your colleagues would support it. Is that correct?

Senator HICKENLOOPER. With the resolves which we adopted here, which are not satisfactory to me, I nevertheless will support them. I mean the whereases. Now, with the resolves as contained in the original resolution, then I would support it.

The CHAIRMAN. You do not have anything about "it supports the President in his affirmation." You agreed to that.

Senator HICKENLOOPER. Yes.

The CHAIRMAN. What I am trying to get at, for my own information—because they have left me proxies to vote, which is a responsibility I do not like, but I have no alternative—if we accept the language "as the representative of China," which is what we are arguing about, then you, and you believe your colleagues, would all support the whole resolution as is.

Senator HICKENLOOPER. Of course, nobody can speak for his colleagues, but I would support this resolution and I would try to get their support for it.

Senator AIKEN. We also have another situation. I understand the House is putting the resolution in the Mutual Security Bill. I just hate to see the Mutual Security Bill filled up with this, and a declaration of purposes, and a lot of other things which may be all right in their place. I do not like to see them involved there.

MAY OFFER SUBSTITUTE ON THE FLOOR

Senator DODD. Mr. Chairman, I just want to make my own position clear. I do not want the Chairman to understand that I have committed myself to support this resolution, even though we adopted it. I may do so. But I want to think about it further. I would not want to mislead anyone. I may offer a substitute on the floor.

The CHAIRMAN. But this language that we are talking about, and the original language, I would take it, is far more appealing to you than the changes made by the staff. Is that correct?

Senator **Dodd**. Yes.

The **Chairman**. It makes it more palatable.

Senator **Dodd**. Yes.

Senator **Aiken**. I think controversy on the floor, Tom, would intimate that the Congress is actually getting itself pretty well divided on the situation.

The **Chairman**. Well, this is the kind of thing I bend over backward on, trying to get agreement.

Senator **Dodd**. Well, I just don't know. I don't want to commit myself at this minute.

I think it is a very important matter, as we all do.

The **Chairman**. Tom, I can assure you I could live with yours, but we had to make some choice. Let's vote on it, then.

Senator **Hickenlooper**. I just want to say I would not hesitate to say that I would prefer that the whereas clauses be stronger. But I would support this and say that I would support it as a statement.

ADOPTION OF ORIGINAL MOTION

The **Chairman**. All right. Call the roll. This is voting on the motion——

Senator **Hickenlooper**. I am moving to adopt the original resolve clauses in the original resolution.

The **Chairman**. With this exemption of "it supports the President in his affirmation." I understood that was acceptable—because someone said the other day, speaking for the Congress, not the President.

Senator **Hickenlooper**. We should speak for the Congress.

The **Chairman**. All right. The original, with the exception on page 2, at the bottom of the page, line 2 "it supports the President in his affirmation." That is stricken. All right. Call the roll.

Mr. **St. Claire**. Senator Sparkman.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Humphrey.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Mansfield.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Morse.

Senator **Long**.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Gore.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Lausche.

Senator **Dodd**. Aye

Mr. **St. Claire**. Senator Church.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Symington.

The **Chairman**. Aye.

Mr. **St. Claire**. Senator Dodd.

Senator **Dodd**. Aye.

Mr. **St. Claire**. Senator Wiley.

Senator **Hickenlooper**. Aye.

Mr. **St. Claire**. Senator Hickenlooper.

Senator **Hickenlooper**. Aye.

Mr. **St. Claire**. Senator Aiken.
Senator **Aiken**. Aye.
Mr. **St. Claire**. Senator Capehart.
Senator **Hickenlooper**. Aye.
Mr. **St. Claire**. Senator Carlson.
Senator **Aiken**. Aye.
Mr. **St. Claire**. Senator Williams.
Senator **Hickenlooper**. Aye.
Mr. **St. Claire**. The Chairman.
The **Chairman**. Aye.
Mr. **St. Claire**. Sixteen to nothing.

VOTE TO REPORT THE BILL

Senator **Hickenlooper**. I want to say that these proxies which I voted, I have the authority to vote them. I have not the authority to commit any of these proxies that they would not say something, or take a different position on amendments. I just do not know. I am going to support this.

Senator **Aiken**. Now the vote is on the resolution?

The **Chairman**. Is there a motion to report the bill?

Senator **Dodd**. I move it.

The **Chairman**. It has been moved to report the bill as amended to the floor. All in favor say aye.

[Chorus of ayes.]

Opposed, no.

[No response.]

The ayes have it. It is carried.

[Whereupon, at 12:10 p.m., the committee recessed, subject to call of the chair.]

ALLIANCE FOR PROGRESS

[Editor's note.—On March 13, President Kennedy proposed a 10-year "Plan for the Americas," which would "transform the 1960's into a historic decade of democratic progress" for Latin America. Known as the Alliance for Progress, this program was adopted by 20 of the 21 nations attending the Inter-American Economic and Social Conference at Punta Del Este, Uruguay, August 5 to 17 (Cuba abstained). The United States pledged $1 billion for the first year and at least $20 billion over the 10-year period, if other participating nations enacted domestic reforms. The Alliance aimed to increase Latin American productivity, create more equitable distribution of income, promote land and tax reforms, and improve educational, health, and housing services.]

FRIDAY, JULY 28, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met, pursuant to notice, at 3:45 p.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, Senators Sparkman, Gore, Church, Symington, Wiley, Hickenlooper, and Williams.

Also present: Mr. Marcy and Mr. Holt of the committee staff.

The **Chairman**. The committee will come to order.

The Secretary is here this afternoon to discuss his plans and prospects for the meeting in Montevideo next week.

The **Chairman**. We are very glad to have you, Mr. Secretary. Will you proceed in your own way, please, sir?

Secretary Woodward, do you want to say anything about this? Do you want to sit up here and join in or not?

Mr. **Woodward**. Thank you very much.

The **Chairman**. Feel free to prompt the Secretary or supply any thoughts.

Mr. **Woodward**. I am sure the Secretary needs no prompting, sir.

STATEMENT OF HON. DOUGLAS DILLON, SECRETARY OF THE TREASURY; ACCOMPANIED BY HON. ROBERT F. WOODWARD, ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS

Secretary **Dillon**. This is an executive session?

The **Chairman**. All right, Mr. Secretary.

Secretary **Dillon**. You are all aware of the background of the meeting in Montevideo?

The **Chairman**. I think so; yes, sir.

Secretary **Dillon**. I think you are aware of the agenda. The first item is a discussion of what can be done to ensure better planning for economic and social development, so that it can move ahead more rapidly in accordance with the Alliance for Progress.

Item 2 is the subject of economic integration of Latin America. Item 3 is commodity problems of their primary commodities. Item 4 is really more or less a part of item 1, and will be considered with this item, procedures for the review of progress on the development programs; and item 5 is public opinion and the development of Latin America.

These are the five specific items that are on the agenda.

EARLY PREPARATIONS

As was the case in Bogota last year, we thought that it would be rather difficult and complex if we got down to Montevideo and there had not been a good deal of preparation done, so we took advantage of the meeting of the Inter-American Bank, Rio de Janeiro, to talk to members of the OAS, of ECLA,[1] and of the Inter-Latin American Bank. They, as a result of some stimulation from us, got together a sort of preparatory or planning group that worked under the direction of Mr. [Jose] Mora, the chairman of OAS.

The group prepared four documents here, copies of which we have given to the committee. One is "Planning for Economic and Social Development for Latin America;" the other is "Latin American Economic Integration;" the other is "Latin American Export Commodities;" and the fourth, "Public Opinion and the Development of Latin America." These reports were finally ready and sent out about the end of last month; the 29th of June is the date on one, the 30th of June on the other, the 1st of July, and the 6th of July, so they have been circulated by all countries.

These reports were prepared not on a country basis, but by individual experts who, while they obviously came from different countries, were operating in their individual capacity. They were mostly Latin American, although there were some U.S. experts meeting with these groups also. But they were not, for the most part, governmental experts; they were economists and people from outside.

The reports are rather interesting and useful. There are some areas in which we differed from them, particularly, I would say, in some of the proposals in the commodity area. They went a little further than we feel we are able to go.

U.S. DRAFT ACCORD

In particular, regarding the first item of the agenda, the planning for economic and social development, we felt the situation would be somewhat similar to that at Bogota, which was that we did not know where we would get unless we had some sort of a basic document to work from. So we did a good deal of work here and have prepared a basic draft which would be responsive to this item 1 and item 4 of the agenda, which we called an accord—it probably will be called an act or something like that—for the establishment of Alliance for Progress, within the framework of Operation Pan-America.

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[1] United Nations Economic Commission for Latin America.

The document was completed on the 7th of July, and has been circulated as a tentative draft to all Latin American countries, with the hope that it will serve as a basis for discussion under the circumstances. We do not think that, based on past experience, the final document will be exactly this. There will be considerable modifications, and we expect improvements as a result of the discussion down there. But having a basic draft was very helpful at Bogota, and we think it will be helpful here.

FAVORABLE RESPONSES

The draft has been well received, in general, throughout Latin America. While there have been certain questions raised about parts of it in one or two countries, particularly in Argentina, it has been, as I say, well received elsewhere. At a recent meeting of the Central American countries in Honduras which Mr. [John] Leddy, Assistant Secretary for International Relations of the Treasury Department, attended last week, it was approved in principle by all Central American countries. They thought it was very helpful, so we will have their backing when we get down there.

We will be glad to make copies of this available for the information of the committee, although we would think this should, preferably, not go into a record and be just available as a draft, because this is not what is going to come out in the end. I do not think it is particularly appropriate to point out the exact changes, how they happen to be made, but this is available for the information of the committee.

ALLIANCE FOR PROGRESS GOALS

We start off in this document, which I might briefly describe, in article I, talking about the goals of the Alliance for Progress. There is an agreement by the American Republics to work toward the achievement of the following goals in the 1960's.

The first one is to achieve a substantial and sustained increase in the per capita rate of economic growth in the participating Latin American countries. Each country has its own goal in light of its own circumstances and ability to mobilize resources, but it is recognized that for any country a minimum goal of economic growth of not less than 2½ percent per capita would be desirable. That figure was contained in this basic document here, and was quite importantly referred to. It is about the same rate as they have been accomplishing over the past 10 years, so it is not out of the woods, and we felt it was important to put it in as a goal. We hope some countries would do considerably better.

The second goal is to make the benefits of economic growth available to all citizens, of all groups, and particularly to help the less privileged sectors of the population.

The third is to have a balanced and diversified economy. The fourth is to expand agricultural output and to improve rural living conditions.

The fifth is to provide by 1970 a minimum of 4 years of primary education for each school-age child in Latin America, and to have completed or have underway programs that would eliminate adult illiteracy in the hemisphere, and also to modernize and expand vocational, secondary, and higher educational facilities.

Sixth, it is to provide adequate potable water supplies in rural areas as well as urban communites, to expand public health facilities so as to reduce infant mortality, substantially extend the lifespan, and bring under control endemic diseases for which medical science and public health techniques have already developed feasible measures of prevention and cure.

OMISSION OF POPULATION CONTROL

The CHAIRMAN. What about population control?

Secretary DILLON. That is not in here.

The CHAIRMAN. Why isn't it?

Secretary DILLON. I do not know why it isn't, but it is felt——

The CHAIRMAN. It ought to be.

Secretary DILLON [continuing]. It is not in the thing that was brought out by Latin American countries.

The CHAIRMAN. If you are going to interfere——

Secretary DILLON. We did not think it would be acceptable to the Latin American countries at this time. Actually, in Latin America, the question of population control is not as serious as it may be in other areas of the world because there are substantial resources, substantial land, substantial availability for a growing, expanding population, which is not present in Asia, for instance.

The CHAIRMAN. But you can do this much more quickly than you can expand the productivity. It has been demonstrated in country after country.

Senator SYMINGTON. Not only that, but you are going to heavily reduce the infant mortality.

The CHAIRMAN. That is what he says here.

Senator SYMINGTON. What he says is all you have to do is go down and make the problem work.

The CHAIRMAN. Just what you have done in several countries. Why don't you face it sometime?

Secretary DILLON. I refer that to the State Department.

IMPACT OF INCREASED PRODUCTIVITY

The CHAIRMAN. Why not, Mr. Woodward? We have been toying with this idea. The Pakistanis make no bones about this being their number one problem practically. It is no good on the other side unless he does something about this. India—why do we just keep on fooling with it and ignoring it?

Mr. WOODWARD. Mr. Chairman, I do not think that there has ever been a systematic attempt to do this.

The CHAIRMAN. I know there has not. That is one of the things wrong with it.

Mr. WOODWARD. But what I am driving at is that I think there is some reason to believe that perhaps the most effective way to attack this problem may be by increasing the per capita productivity, because we do have the example of countries in which this has been accomplished, with the result that the population then ceases to expand.

The **Chairman**. What is a good example of that, of an underdeveloped country?

Mr. **Woodward**. Well, Uruguay, for example, is a country that has attained a certain economic level of the individual, with the result that the population is increasing imperceptibly.

The **Chairman**. What large country can you think of that has not taken——

Mr. **Woodward**. Sweden.

The **Chairman**. Some larger country, I mean; don't take those little countries.

Mr. **Woodward**. Well, France now. I do not know whether this is the reason in France or not, but I base it on the fact that the population has virtually ceased to increase there, hasn't it, Mr. Secretary?

The **Chairman**. India, any country comparable.

EFFECT OF IMPROVED HEALTH CARE

Do you deny that this is a problem, if you go in and interfere with the health problems, as you propose in the sixth goal, that then you will get a much more rapid increase in population than you will in per capita income, with any reasonable amount of money that you expect to have in this program?

Secretary **Dillon**. Oh, no.

Mr. **Woodward**. If it were possible for us——

The **Chairman**. In countries like Brazil and Argentina. Don't take a little country like Sweden. It does not prove anything as to these big countries that are illiterate, and where they have very serious health problems which you will cure rather quickly. That has been demonstrated time after time.

I saw a very thorough study of Algeria. The French went in, they cured the diseases and so on, but they could not bring up, with all their efforts, the economic productivity comparable to what they had done in the decrease of the deaths. If you are going to interfere in this way, why then, at the same time it ought to be a part of the program. What you are really trying to do is to improve the standard of life of those who are left.

You are going to vastly increase the population, and you cannot possibly increase productivity rapidly. I think there have been many cases of that.

Senator **Hickenlooper**. I think, Mr. Chairman, we have to come to grips with the problem of killing off cattle in India. We have not come to grips with that problem either.

EFFORTS SHOULD BE SIMULTANEOUS

The **Chairman**. We have not come to grips with this problem anywhere. We just keep on shoving it back and letting somebody else worry about it. When you undertake specifically, as you do here deliberately, to reduce infant mortality and, as you say here, substantially extend the average span of life, if you succeed, which I have no doubt you can, since this is relatively easy with modern methods——

Senator **Symington**. I remember in an African country, which would be remotely comparable, the ICA said last year 600 to 700 babies out of 1,000 die in Liberia the first year they are born. If you go over there and fix them up so that their record is only four times worse than ours—I think ours is 25 out of 1,000—why, all you are going to do as a result of all of that is to tremendously increase their entire economic problem.

The CHAIRMAN. It is bound to happen.

It seems to me that the time to propose it and to do something about it is at the same time, because you have the clear case that we want to help improve the standards of those who are actually here. We do not want to just create greater poverty, more people for the same amounts of goods or very slowly increasing amounts of goods.

OBSTACLES POSED BY RELIGION

Secretary DILLON. We feel that in Latin America it is perfectly practical to improve this infant mortality, which is not as bad as it is in Africa by a long shot and, at the same time, to reach the goal of increasing income not less than 2½ percent per capita; per capita, that is over this 10-year period per year.

Now, as you all know, there are very difficult religious obstacles to effective action in this field.

The CHAIRMAN. Of course, we know that, but we think something has to be done about it. I mean, if we are going to put the money in, something has to be done about it.

Japan is far more advanced than this country, and they have had to take very drastic measures. Apparently they have somewhat succeeded.

The Indians are not; the limitation in India is not on land. There is lots of land there that is not even properly utilized, but they have too many and too uneducated people.

Secretary DILLON. I would think it would be a lot easier to start to achieve the success of such a program in a country such as Japan or India, where the religious problem is not the same as it is in Latin America, and if it were successful, then possibly it would be practical to translate——

HEALTH SHOULD NOT BE STRESSED

The CHAIRMAN. Why don't you leave that out? I would rather you leave the sixth goal out and let them deal with it, rather than for you to go in and mess it up without taking the responsibility for the other aspect of it.

Secretary DILLON. We have already sent this out but if that is your feeling, we certainly will not stress this area of development.

The CHAIRMAN. It seems to me it is so easy to do it, and everybody thinks it creates gratitude and good feeling, but I do not think in the long run it does.

Secretary DILLON. This is 1 out of 11 items, and we can certainly see that we do not lay too great a stress on it.

The CHAIRMAN. Why can't you present it in this way, "Of course we would like to do it, but we think it is self-defeating unless you find measures to control the resultant explosion of population which would very likely follow," and let them have it on that basis?

Senator GORE. Mr. Chairman, I could not agree that we ought to refrain from giving aid and help to an attempt to reduce infant mortality. A program to prevent the birth of undue infants is one thing, but once they are born, I would not want to associate myself with any denial of imports in this program to improve the opportunities of those to live.

ECONOMIC FOCUS OF PROGRAM

The CHAIRMAN. But they ought to be coupled together. As I understand it, this is an economic improvement program, and not just——

Secretary DILLON. Economic and social.

The CHAIRMAN. You base it as an economic program, not just a humanitarian effort.

Secretary DILLON. That is right.

Senator GORE. It says to expand public health facilities so as to reduce infant mortality; substantially extend the average life span. That is not economic; that is medicinal.

The CHAIRMAN. Well, it would be economic if they took the relevant countermeasure, the other side of this picture, of reducing the number of births.

Senator GORE. I agree on that.

The CHAIRMAN. That is the point I am making, that they ought to be coupled together. That is the only point I make.

Senator GORE. I agree on that, but in order to avoid doing something on the latter, I would not want to eliminate trying to increase the former.

The CHAIRMAN. My first proposal is to add to it this other, and he says, "No, we can't do that." If you are not going to do that, then you ought not to do this. They ought to go together.

It seems to me you are just courting disaster and defeat if you do not couple them together.

BIRTH RATE IN U.S.

Senator CHURCH. Mr. Chairman, did I understand the Secretary to say there is a theory that as economic conditions improve, the birth rate will tend to stabilize or to fall off?

Secretary DILLON. That has been the case in countries as they develop. I think it is true within more highly developed countries; the birth rate is lower than it is in underdeveloped countries.

Senator CHURCH. But is that our own experience in this country? In recent years, despite our enormous productivity, our birth rate has been increasing, has it not?

Secretary DILLON. Yes. But it has increased from a rather low level, and even where it is stabilized as it is now, it is considerably lower than the birth rate in these less developed countries.

EXPRESSING OPINION OF CONGRESS

The CHAIRMAN. Why don't you add, to reduce infant mortality and births?

Secretary DILLON. We'll be glad to support that if that is suggested by any of the other delegations.

The CHAIRMAN. You can tell them that it would make a lot of difference on how much support you could get in the Congress if they do something about it.

Secretary DILLON. I would see nothing wrong with the Congress at the appropriate time expressing their opinion, and then we bring that opinion to the attention of these people, and it would be very helpful and very useful.

The CHAIRMAN. But you have the first start; if it is just getting started, it seems to me that it is the time to bring this up.

OBJECTIVE IS NOT TO INCREASE PROBLEMS

Senator SYMINGTON. Seriously, if you went down there to help economically and, as a result of a major effort on our part, including money, doubled the longevity of a country, which would be relatively easy to do considering what their rates are as against ours, and you really went at it, and you raised, say, the standard of living as much as 10 percent in a couple of years, you would tremendously increase their problem instead of reducing it per capita, I would think.

Secretary DILLON. The objective is certainly not to increase their problem. All the experts who have looked at this, do not think that this will increase their problem; that jumps won't be as big as that, because it is not the same in Latin America as it is in Asia and Africa.

Their standards are considerably higher already, and we have already done this. We have been fixing water supplies, potable water supplies for some time, which gets rid of malaria, and doing things of that type.

The CHAIRMAN. On a small scale.

COMPARISON OF LIVING STANDARDS

Senator HICKENLOOPER. I would want to challenge, at least for the sake of argument, Mr. Secretary, the statement that their standards are considerably higher than they are in Africa or in Asia.

Secretary DILLON. As a whole; there are areas where they are very low.

Senator HICKENLOOPER. If you take the Indian population of Latin America, I do not think their standards are very high.

Secretary DILLON. No; if you take the Bolivian population, the Indian population in Peru, it is low.

Senator HICKENLOOPER. If you take 80 percent of Peru or you take 50 percent of Colombia, they have a pretty low level, outside of the upper crust.

Secretary DILLON. Yes.

Senator HICKENLOOPER. It is a little different in Argentina and——

Secretary DILLON. Chile.

Senator HICKENLOOPER [continuing]. And Chile and Uruguay.

Secretary DILLON. Uruguay.

Senator HICKENLOOPER. But I think it is pretty low.

PREJUDICE MAY BE BROKEN DOWN

The **Chairman**. I have no objection to reducing infant mortality, but I do object if we do not do anything about the country. I think all they want, really—an Indian said, "What we really want in India is assistance in getting nurses and doctors. They do not have to be the finest doctors in the world, but they have this program of sterilization and equipment, that is, the necessary, relatively simple, medical equipment which we do not have. He said, "I could think of nothing that would promote the ultimate objective better than adequate equipment in this field."

It is relatively inexpensive. They are building a dam and things like that, and they are trying to do it.

I said, "How is it going?" he said, "It is going very well, but we are limited on the physical facilities to do it on a bigger scale.

It is acceptable there. Yet we shy away from this and won't help them in this field because of this ancient prejudice.

But I have a distinct feeling that prejudice may be at the point where it might be broken down, and a way found to reconcile it with the doctrine of the church. I really think it ought to be tried.

RELATIONSHIP OF POPULATION TO PRODUCTIVITY

Mr. **Woodward**. Mr. Chairman, if I might make a very informal suggestion, if this has been tried in Japan and is being tried by the Nehru government——

The **Chairman**. The Indians are trying it.

Mr. **Woodward** [continuing]. I think it would be extremely interesting, in order to make sure that we were not making a serious mistake in embarking on this, to have a careful analysis made in those places as to whether the reduction in the birth rate actually does make a traceable contribution to the increased productivity of the remaining individuals, because we have countries which have relatively low populations, where the people live in miserable conditions. It does not seem that the low population is necessarily a solution for them.

Laos, for example, is said to be a very fertile country with a very low population.

Senator **Symington**. The reason you have a low population is because you have so much disease. Obviously, that is one of the chief reasons.

Therefore, if you correct the diseases, you are going to tremendously stimulate the population growth, and if you do that, you are going to have to cut that much of your fraction into the per capita income of the country. That is just mathematical. There cannot be any disagreement with that.

A QUESTION OF TIMING

The **Chairman**. It is a question of timing, too. I think this does not necessarily last forever; it is a question of their coming on in the right time. If you in the early stages feel that it would be especially important, that they are beginning to make real progress on the economic explosion, then it may be much less critical than it is in the early stages.

What I am thinking is before you can get your economic program really underway, it is so easy to go in and with some modern chemicals give them pure water—that is one of the easiest things you can do—and to spray out and get the mosquitoes in an area. Things of that kind are relatively easy compared to the economic side.

The timing of it is important; after you can get the economy growing, which would take time—it certainly would take 5 or 10 years—if you even defer this trifling with the natural causes in births until that time, but because it is easy, they tend to do that first before they do anything else. We have done it ourselves.

Senator SYMINGTON. Mr Chairman, I want to vote on the markup in another committee. Could I just ask one question before I leave?

The CHAIRMAN. Yes, sir.

MONETARY COMMITMENTS

Senator SYMINGTON. Mr. Secretary, have we made any monetary commitments down there where you are going?

Secretary DILLON. No. To skip right to that in here, while you are still here, Senator, it is Article V or Chapter V, which contains the monetary statement by the United States in this proposed document. It is page 12, which starts off with subparagraph 1, and which just recognizes that there is need for additional public and private financial assistance on the part of capital exporting countries, including the members of the development assistance group and international lending agencies.

Then number 2 applies to the United States, and it has been rather carefully drawn. It says the United States is ready to assist in realizing the objectives of this accord through the provision of financial and technical assistance to those participating Latin American nations whose self-help measures and policies and programs are consistent with the mutual principles and goals of the Alliance for Progress as set forth in this accord and the act of Bogota. Such assistance will be allocated to both social and economic developments.

COUNTRIES TO CONTRIBUTE FAIR SHARE

Now, earlier here in the guiding principles, on page 7, for economic and social development, it says that the national programs of economic and social development envisaged in this accord should be based on the principle of self-help and the maximum use of internal resources, taking into account the internal circumstances of the various countries. The citizens of each country should contribute a fair share to the development of that country.

So, on the basis of the country's help, we have a commitment here saying that we are ready to assist in realizing the objectives of this accord, but we do not say how much or what it might be. Apparently that is satifactory, that will be satisfactory with the Latin Americans, and it is no commitment.

Senator SYMINGTON. Thank you very much.

NO LEGAL OBSTACLE TO POPULATION AID

The CHAIRMAN. I have one other comment on the question of population growth. I have asked the staff to investigate the question of this authority in the foreign aid legislation which is not directly in your bill, but I am informed that there is no legal obstacle in our foreign aid legislation to prevent in any way the administration from giving aid and assistance in this field. We never put it in.

In our report we refer in two different places to this problem. It says, for example, on page 5 of the current report:

> At present levels of the population growth in some countries it is difficult to see how this accomplishment can be maintained through the next decade, and we have already referred to Pakistan, India and Brazil as three of the large countries in which their population increase threatens the effectiveness of the program.

QUESTION SHOULD BE RAISED NOW

But I do think at the beginning of a new program, and with the present, I hope, popularity of a Catholic President of this country, that this would be the best time in the world to raise the question and urge them to find a way themselves to reconcile some methods in this field that would be acceptable, to go along with your program of improvement in health. It seems to me that is part of it.

I believe it could be done, if it is going to be done. A lot better authorities than I am say it has got to be done, and I know that is officially the attitude of the Pakistani Government, the Indian and the Japanese and, of course, the Africans are——

Secretary DILLON. It is strongly believed throughout Asia. The Economic Commission for Asia——

The CHAIRMAN. If it could be injected into this program, it would certainly make your economic problem much easier in the earlier stages. After it is going, I think then it is a matter of timing, that it might be quite different, and I believe you could make a sale.

What I am afraid of is that by inertia and custom, none of our people have tried to do it because they think it is offensive and controversial.

But now is the time to bring up a controversial question when we have this, as I say, unique occasion in the history of this country, at least, a Catholic President.

START WITH INFORMAL TALKS

Secretary DILLON. It may well be that the best place to try to make progress in this field in Latin America is to start at least by informal talks with those who are responsible, without putting them on the spot publicly.

The CHAIRMAN. I would agree with that.

You want to do it in the least offensive way possible, and tell them that the committee and others feel this. I know you can find with a little research——

Secretary DILLON. I understand.

The CHAIRMAN [continuing]. A great many highly sophisticated, scientific studies on this subject that would indicate this.

BIRTH CONTROL METHODS, APPROACHES

Mr. **Woodward**. There are some cheap and easy ways now that we have developed?

The **Chairman**. We have not made as much progress as we should, but the Indians are using the sterilization method at the moment.

I was told by Ambassador Bunker that in one community they had already done over 10,000 or 15,000. They pay them a tiny sum, I think it is 30 rupees or something like that, and perform the operation, which is apparently very simple.

Of course, the development of a pill or something, whether or not that is going to be in 1 year or 5 years, I do not know. That is one method they are seeking, but I would not want to dictate. I do not know enough about it as to the methods.

But it is a very serious problem, and I would like to break down this prejudice against even discussing it while we can. Whether you can make too much progress now or not, I surely hope you would raise it, and say we think it is important, and ask if they can't give some thought to it.

You probably would not even do that if we did not have a Catholic President. Because you are speaking in his name, if he would allow you to—and I would hope he would—you can open it up as a matter of discussion, at least privately.

Secretary **Dillon**. Yes, privately it might be developed. It is possible, it certainly is. I see certain advantages in at least opening up the subject.

OPINIONS OF CHURCH AND PEOPLE MAY DIFFER

The **Chairman**. I am just reminded by the staff of Munoz Marin in Puerto Rico. As you know, it did precipitate an attack locally, but the vote of the people showed they overwhelmingly stood by him on his program.

One of the principal reasons for the attack by the bishops in the last election was over this question, and in the election they found the people stood by Munoz Marin, even though they are overwhelmingly Catholic.

Senator **Church**. Mr. Chairman, that raises a very interesting question. One would think that it would take an act of extraordinary bravery to open up this particular subject in Latin America, among all the continents of the Earth. But it may just be that the strong anti-clerical tradition of many of the Latin American governments might result in some surprising reaction to initiative on our part.

The Puerto Rican experience would tend to lend some substance to that.

The **Chairman**. I would recommend that you inquire of Munoz Marin or someone—Morales may know more about it down there in your department—as to what they have done.

I remember now, as I was reminded, that was one of the reasons why they attacked him. Yet the people supported him, so that gives you assurance that it is not—I have an idea that a lot of this prejudice is located in the upper levels there, just as it has been here. I think it is very important.

UNIMPORTANCE OF RELIGION IN URUGUAY

Senator **Hickenlooper**. There is another springboard in Latin America from which you could open up a discussion on this which might be launched, and that is Uruguay. Uruguay has become completely atheistic, you know; religion is practically nil down there.

They have even gone to the point of changing all the names of their religious days to days with seasonal meanings. Christmas, I think, is called All Peoples Day now; Easter is called something else, and so on.

The Presidents—what are they, nine cooperating Presidents or uncooperating Presidents or something—I think of those, only one has asserted or asserts now any religion. The rest of them are atheistic. That may not be exactly accurate, but it is along that line.

They have gone so far as to steer away from religious matters and church matters so far as orthodoxy is concerned. They might discuss it openly because they have no inhibitions apparently.

Mr. **Woodward**. They had a law legalizing abortion for a while, but they found the abuses were so great that they cancelled it out again.

Senator **Hickenlooper**. Isn't that a fact? Haven't they changed their religious days down there?

Mr. **Woodward**. Yes, yes. There is a lot of atheism there.

OTHER GOALS OF ALLIANCE

Secretary **Dillon**. To move ahead with the thing, item 7 of these goals is to progressively replace urban and rural slums by decent low-cost housing with the goal of ultimately providing adequate community facilities and housing for all. Ultimately means a lot longer than 10 years for all. It is just a move in that direction.

Then, the next goal is to bring about a more equitable distribution of national income.

The ninth goal is to strengthen and improve the institutions and practices for increasingly effective use of domestic resources to bring about self-sustaining growth. That means better tax systems and things of that nature.

Tenth, is to maintain reasonably stable price levels, avoiding serious inflation and the maldistribution of resources and social hardships that flow from it.

Eleventh, is to ensure that the benefits of economic growth will result in the spread of equal opportunity for the individual at all social and economic levels.

FORMULATION AND IMPLEMENTATION OF NATIONAL PLANS

Then there is a chapter on national plans and programs, which indicates that the Latin American countries would agree to formulate, over the next 18 months, long-term development plans and programs, and also to develop some short-term goals and priorities which would be consistent with the longer term plans.

It sort of says what the plans should be. What they are described to be, and appropriate, would be by the establishment of targets and priorities and methods of achieving the targets, methods of encouraging private participation in development without repressive controls of private activity.

How you get together the necessary internal resources, public and private, and which are estimated to become available for the execution of the program in financial and real terms, and then the estimated cost in foreign currency, and in local currency, of major projects or groups of projects and of the development program as a whole, by year.

The financial, fiscal, and monetary policies that they have to follow; the effects of the plan on the balance of payments; the machinery of public administration that is required.

GUIDING PRINCIPLES

Then, chapter III is quite important. It is the guiding principles for economic and social development, which is a little more elaboration of chapter I, and the goals.

It talks about the maximum use of internal resources and self-help, and it describes what self-help efforts should be directed to. It lists the improvement of human resources; better education; wider development of natural resources, land, forests, and so forth; the strengthening of the agricultural base, which is very necessary so they do not just go for industry, accompanied by a growing participation of rural families in the fruits of the land, which means basic reforms in land tenure; broad range measures for increasing agricultural productivity, including credit expansion, cooperative development, modernization of equipment and technical assistance.

More effective, rational, and just use of financial resources, such as the improvement of tax structures and tax enforcement measures; fair and adequate taxes on those with large incomes and on land, and the vigorous enforcement of tax measures; improvement in marketing and distribution facilities.

Then it says that there should be good allocation of available resources among the major sectors of the national effort; a fair distribution between agriculture, industry, and basic services, and social purposes, which it points out are important in themselves, but are also important for sustainable economic growth; and it says specific development projects should be justifiable in terms of their relative costs and benefits.

SHORT- AND LONG-TERM MEASURES

Then there is an article on short-term action measures. It indicates that until the basic plans are approved, they ought to concentrate on accelerating the completion of projects already underway, initiating projects in which the basic studies have been completed, and giving priority that projects utilize ideal capacity which meet the most pressing social needs and which concentrate efforts in certain selected, depressed areas.

Then they ought to create the foundation for long-term programs by increasing the number of teachers, technicians, and specialists through training programs.

EXTERNAL ASSISTANCE

Then we come to chapter VI on external assistance, which I described to the Senator from Missouri. In addition to what I mentioned, it says that the United States shall be prepared to assist in financing technical assistance projects—we always have been—and assisting the Development Committee, provided for below, in securing qualified contract personnel to do its work, for expert assistance to governments, and so forth.

And then the participating Latin American countries recognize that they have the capacity to assist their fellow republics by providing external technical and financial assistance, and they say they will do that increasingly as their individual circumstances permit.

ORGANIZATIONAL ARRANGEMENTS

Chapter VI deals with the organization and procedures of the planning for the Alliance for Progress.

The national planning machinery in Latin American countries should establish or strengthen the internal mechanism necessary for the implementation of national programs.

There should be established an inter-American planning staff. Participating countries in need of technical assistance would request such assistance from the OAS, ECLA, the World Bank, the U.N., or individual governments.

It points out that the OAS, ECLA, and the Inter-American Bank have already developed arrangements for coordinating their efforts to make certain of joint approval of technical assistance which is available. It says these arrangements should be continued and strengthened to make available inter-American planning staff.

There is a recommendation for a planning institute which has come out of some work of ECLA, which will probably be sort of a part of this.

THE DEVELOPMENT COMMITTEE

Then it talks about the Committee on Development Plans, which would be established by the Inter-American Economic and Social Council, which is the group that is meeting, and with the idea that they would establish an expert committee on development plans. This committee would have the function of receiving, discussing, and evaluating the development plans presented by individual countries, reporting their findings to the countries themselves and to the members of the Economic and Social Council and the Inter-American Development Bank.

The committee would follow the progress and execution of the plans in the individual countries, reporting its findings periodically to the countries themselves, and so forth, and would present an annual report to the Economic and Social Council, which would be the basis of an annual ministerial meeting of the Economic and Social Council to discuss progress.

The document points out what the Development Committee would do. It would examine the general merits of the plan; its ability to promote the country's development, including the feasibility and consistency of the economic and social goals and programs envisaged; the extent to which it goes along with the Act of Bogota; the strength of the effort to mobilize domestic resources as compared with the amount of resources expected to be received from abroad; the needs for external financing, including the nature and possible sources of such financing.

It includes the methods proposed for dealing with the overall balance of payments position; the probable effect of the plan on the development of other participating countries and any conflict between national plans; and the provision for necessary measures of social reform.

Then it says that the Inter-American Economic and Social Council shall review the work and recommendations of the Development Committee at the annual ministerial meeting.

MEMBERSHIP AND STAFFING OF COMMITTEE

The Development Committee should seek advice from the Inter-American Development Bank, and the Development Committee may request the OAS to assign personnel to help it. It should work closely, of course, with the permanent staffs of ECLA, OAS and Inter-American Bank.

Finally the document says that the Development Committee would consist of a chairman appointed by the Secretary-General of the OAS, and seven other members appointed by the Inter-American Economic and Social Council on the basis of their experience, technical ability, and competence.

There probably will be one American, one United States national. The rest would come from the various countries of Latin America based on ability rather than just the country representatives.

The Secretary General of the OAS, the President of the Inter-American Bank, and the Executive Secretary of ECLA would agree on a list of persons from which the Inter-American Economic and Social Council would select its members. Its members of the committee would not represent and speak on behalf of governments. The government of a country whose development program is being discussed by the Development Committee would be entitled to appoint a representative to work with the committee while its program is under discussion.

We have had some preliminary indications that Mr. [Raul] Prebisch, who is the head of ECLA, might be willing to undertake the position of head of the Development Committee.

COMMITTEE VERY USEFUL FOR SOME COUNTRIES

I think that the Development Committee will have to be something which is available to countries if they want to use it. You won't be able to force them to use it.

Some of the advanced countries like the Argentine, feel that they can take care of themselves without having to go to such a committee. On the other hand, it would be a very useful thing for Central American countries, for Peru, Bolivia, for countries which need a little additional help in working out these programs. That represents the basis for the planning draft.

SUGGESTED CHANGES ON INTEGRATION AND COMMODITIES

Now, probably the one feeling of reaction we have had from Latin American countries is that they agree with this, that there should be a minimum number of resolutions, probably just as close to one as they can keep it, and they would like to include in this draft appropriate changes on integration and commodities.

The problem on integration—I do not think there is any problem except for one. They desire, and the Argentine is proposing it, this recommendation that there be set up some sort of an international fund to help finance the export of manufactured goods which they usually talk about, but it may be just goods between the various Latin American countries, so as to increase their exports.

There was a group in ECLA who felt that was an important thing, and there was a resolution that was passed at a recent ECLA meeting which the United States supported, indicating that the individual countries should look at this and put up funds that they could, along the lines of our own Export-Import Bank, to finance their exports.

INTEGRATION PROPOSAL IS UNREALISTIC

We feel this proposal of the Argentine that there be a $200 million Latin American fund, of which $100 million would be put up by the Latin American countries, $50 million by the United States, and $50 million by the European countries through the EPU,[2] is totally unrealistic. We do not feel we ought to put up funds, in the first place, to finance exports of Latin American products in competition with our own exports or in competition with our own businesses here, if they are in competition with the United States.

We know the Europeans would not do this. Also, it would not have similar benefits throughout Latin America. It might be very beneficial to the Argentine and possibly one or two other countries that it might help, but certainly it would be of no particular benefit at all to Paraguay or Bolivia or some small country that does not have manufactured exports.

I do not think this will be too great a problem, but we do not intend to join in any such proposal ourselves.

U.S. GENERALLY FAVORS COFFEE AGREEMENT

On the commodity side, the recommendations there are not too difficult. They recognize the fact that you have to control volume of production, and that is our view, particularly in this all important field of coffee.

We do intend to indicate that we would be prepared to consider joining with the other consumer countries in joining a suitable coffee agreement. We would not assume financial responsibilities, but would assume responsibilities of trying to control imports from non-member countries of the coffee agreement, and also possibly to help imports from the member countries, so there would not be evasion of quotas which they would assign.

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[2] European Payments Union.

In this recommendation, there is some talk about the advisability of buying up the surplus stocks and having some sort of a buffer stock there, but we do not think that is practical, particularly at this time. We are willing to study it.

Brazil is against it. Some other countries are for it, but Brazil, the major coffee producer, being against it, it does not seem very likely to take place.

DISCUSSIONS SHOULD BE DEFERRED

What we would suggest is that there be no discussion here of feasible coffee programs, but that it be referred to the coffee agreement itself, which would have countries that are now in the coffee study group, which would study this and try to see if a proper agreement could be worked out at a later date.

That is important because there are so many African countries that are interested in this, and also the European consumers, that it would be impractical to try to reach any conclusions at Montevideo.

INTERNATIONAL TIN AGREEMENT

We also will indicate that we are ready to consider the negotiation of agreements to join on a tin agreement. Again, this has been going on for some time. We would be a consumer country member, with no financial obligation except the cost of administration expenses.

The tin agreement has operated, as you know, for a long time on a quota basis and a buffer stock basis, but the buffer stock has been financed by the producer countries and not the consuming countries. The moment it is exhausted the price of tin is high, and the quotas are off, and they cannot seem to supply enough tin.

U.S. CURRENTLY SELLING STOCKPILES

We are selling some tin from our stockpile in agreement with Bolivia and also the Tin Council, some 4,000 tons of tin that we took over when it was obtained when we sold our tin refinery in Texas. GSA has it, not in its strategic stockpile; it is kept separate.

Five hundred tons of that are being offered for public bidding, which will be offered next week.

Senator GORE. Being offered what?

Secretary DILLON. For public bidding. Bids are being opened next week on 500 tons.

Senator GORE. What has that got to do with the Latin American aid program?

Secretary DILLON. It has to do because Bolivia is vitally interested in tin. It is a specific thing——

Senator GORE. But so far as the sale of this plant in Texas, I do not quite get the connection.

Secretary DILLON. That was sold a long time ago. I was just describing the fact that we were selling some tin, and that we had talked to Bolivia about it, and Bolivia was very happy with it.

Senator GORE. You are selling some stockpile?

Secretary DILLON. Yes, that is all.

Senator HICKENLOOPER. I understood when we got rid of the tin plant, we had this extra tin.

Secretary DILLON. The tin left over, and we are just selling it.

TAX REFORM AND INTEREST RATES

Senator GORE. While I have interrupted your statement, I must observe, Mr. Secretary, that I have read your statement and listened to your statement, and I have not seen nor heard the words "tax reform" or the word "interest" or the term "interest rates" used.

Secretary DILLON. Tax reform is in here in a number of places.

Senator GORE. Maybe I overlooked it.

Secretary DILLON. On page 8(d). The whole (d) at the bottom of page 8 has to do with tax measures.

Senator GORE. Yes, I withdraw my statement. I had not seen that.

There is nothing in here about interest rates.

Secretary DILLON. There is nothing in here talking specifically about interest rates. We do talk again there about the creation of essential credit facilities and the encouragement of private savings, but we have not talked about interest rates as such.

We have, however, under consideration the fact that interest rates are something we are interested in, and we have been operating with the Inter-American Bank, particularly in that field.

LOWER RATES IN EL SALVADOR

One thing I just heard of today is that they have been able to set up sort of a savings and loan operation in Salvador, where they are making loans at 9½ percent instead of 12 percent that it always has been in the past. The information from Salvador is that now all the banks down there feel they have to meet this 9½ percent rate, and they are all cutting their rates from 12 percent, so we feel we have made a real accomplishment there.

If we can begin to do similar things, you gradually begin to bring these exorbitant interest rates down. It might well be that if we could find a good way of putting it in here, we should put in a paragraph on the need to find ways and means of avoiding exorbitant interest charges.

Senator GORE. It occurred to me that its complete omission from the statement might be noted.

Secretary DILLON. That is a good suggestion.

STATEMENT ON CREDIT POLICY WILL BE ADDED

Senator GORE. You will recall that during the debate on the bill, the vote on the Williams amendment, there was very strong sentiment expressed that the development of a more reasonable credit policy in Latin America was one of the essentials for economic improvement.

Secretary DILLON. I think that is a very good suggestion.

The CHAIRMAN. I think it ought to be in, certainly in view of that great discussion.

Secretary **Dillon**. We have kept ourselves free to make further suggestions about this. This is just a preliminary draft, and it would be perfectly appropriate for us to suggest the addition of such paragraphs. I think it is an excellent suggestion, and we will see if we cannot draft something.

Senator **Sparkman**. Isn't it included in the Act of Bogota?

Senator **Gore**. Yes, it is.

Secretary **Dillon**. It is in the Act of Bogota, which is covered by reference here, but we could make it probably even stronger than it is there.

Senator **Sparkman**. I know, but it seems to me since it is in the Act of Bogota it ought to be carried forward.

Secretary **Dillon**. Yes, I think that is correct. I think that is an excellent suggestion. We will do that.

COMPENSATORY FINANCING FOR COMMODITIES

The one thing that we may have some problem with in the commodity field is a suggestion which was made in this report, and which has been backed by a number of the Latin American countries, that there should be immediately established a hemisphere fund of what they call compensatory financing.

The fund would look at the proceeds that are received in an average year by the Latin American countries from their exports of basic commodities.

In years when they fall below that average, this fund would make loans to the individual countries so as to maintain their export earnings at a fixed base level. Then, when they do better than that, they would repay these loans.

There is a long discussion in here. It indicates that such a fund could be financed for somewhere between $500 to $750 million, and it would rotate.

There is also considerable study of this whole problem going on in the U.N. on a worldwide basis, and there will be reports. The U.N. people will have their Commodity Committee make a report next spring as a result of the study on this, and it will be taken up again next summer in the U.N. Economic and Social Council.

WORLDWIDE APPROACH IS PREFERABLE

We do not feel—we are perfectly willing to join in the study of this at this time, but we do not feel we can agree to anything of this nature right away, until the studies have been completed. We do not know whether we could then, depending on what the studies show.

There are certain problems, even if such a thing should be practicable, as to whether we want to have a hemisphere agreement of this kind rather than a worldwide agreement. So our suggestion, countersuggestion, will be a willingness to study this thing; to have a special Inter-American Economic and Social Council Committee study it to see if we can help with work being done in the U.N. Commodity Committee, where it has already been underway for some time. But we will not want to agree to that at this time.

I think that is one of the few things we will have to argue a little bit about down there, because this has always been close to the hearts of Latin American countries. They think it is one way in which they could solve their problem very easily. Frankly, I am somewhat dubious of that.

PLANNING GROUP REPORTS GENERALLY GOOD

Aside from that, the information program was relatively good. In this report there was a general statement of principles which we find is very well done. We think what we have here as a draft accord and preamble will be better than this, will take the place of this, but there is a report on the need to mobilize public opinion so that everybody in Latin America knows that various projects, as they go on, are part of the Alliance for Progress, and that everybody is working together to promote progress in freedom, without submitting to Communist types of governments.

There is also a recommendation of how to get labor union support, which we believe is very important, and we would go along with.

That is right where we stand.

The Conference is due to start on Saturday next. We are planning to leave on Thursday morning and be in Montevideo on Friday. We think it will last about 2 weeks, and that we will be back by the end of that time.

U.S. DRAFT IS A WORKING PAPER

Senator SPARKMAN. Mr. Secretary, is this our draft? Is this what the United States proposes to offer or is this just a proposal?

Secretary DILLON. What we have done is what we did at Bogota. I think it is better, and I think we will try to do the same thing here. This draft all the countries have.

We did not submit it to the Conference as a formal draft at Bogota. Instead, we met for the first few days sort of off the record, with Brazil and Colombia and one or two other countries, modified this somewhat, and then submitted a Brazilian-American-Colombian draft as the first official submission. Then that was further modified during the work of the Conference, and I think something similar will be tried here.

Senator SPARKMAN. In other words, this is just a working paper.

Secretary DILLON. It is a working paper, that is all.

Using that method solves the purpose of avoiding a whole lot of different resolutions coming in. It focuses attention on one way, and yet it does not rub the sensibilities of Latin Americans wrongly by saying that here is the thing, and you have to sort of sign on the dotted line.

The CHAIRMAN. Senator Hickenlooper, any questions?

SITE OF CONFERENCE

Senator HICKENLOOPER. I wonder whether this Conference is too big or not?

Secretary DILLON. Too big in the question of number of countries or in the size of delegations?

Senator HICKENLOOPER. The size of the delegations. I understand we are sending 50 people down there.

Secretary **DILLON**. I would agree the size of the delegations is too big.

Senator **HICKENLOOPER**. Other countries, delegations are going to be about as big; some of them are.

Secretary **DILLON**. Yes.

Senator **SPARKMAN**. We are sending 50?

Senator **HICKENLOOPER**. I think Brazil and maybe Argentina——

Senator **SPARKMAN**. What do they do with so many?

Senator **HICKENLOOPER**. There are people on every subject.

Secretary **DILLON**. They have people from different ministries; the Housing Ministry, the Agriculture Ministry, the development people, as well as the Foreign Ministry and Finance Ministry, and so forth. That is the same problem we have run into.

I have the job of being chairman of the delegation, and Mr. Woodward here is representing the State Department, and he would be number two man on the delegation. But we find that ICA and the Department of Agriculture and the White House and Lord knows how many other people want to be on the delegation.

It is pretty hard to tell them they cannot send someone. The head of the Export-Import Bank—they all have something to do with development.

SENATOR HICKENLOOPER'S ATTENDANCE

Mr. **WOODWARD**. I see that we have the good fortune of the company of Senator Hickenlooper.

Senator **HICKENLOOPER**. Where? That is the first I have heard about it.

Senator **SPARKMAN**. I heard you were going. I wondered why you were complaining about the size of the delegation. [Laughter.]

Senator **HICKENLOOPER**. I am prefectly willing to reduce it by one.

Mr. **WOODWARD**. Actually the people listed——

Senator **HICKENLOOPER**. That is the first I heard about it.

Senator **SPARKMAN**. I think you should go.

Secretary **DILLON**. We had the great pleasure of Senator Hickenlooper's company, and we were benefited greatly by it at Bogota. I certainly hope he is able to come with us at this meeting.

Senator **HICKENLOOPER**. You mean at Rio.

Secretary **DILLON**. I mean at Bogota, last fall.

Senator **HICKENLOOPER**. I was also down in Rio.

Secretary **DILLON**. Rio, too, both. Rio was more of an ordinary meeting; Bogota was more like this.

DISPARAGEMENT OF U.S. POSITION

Senator **HICKENLOOPER**. Let me ask you this, Mr. Secretary: There has been some discussion in the purposes, I understand by secondary evidence anyway—newspaper reports—there has been either some criticism or speculation or discussion of the fact that the President is not going down there, and the Vice President is not going down. I also read the story by a newspaper reporter a few days ago, or some time ago, which created the impression that Quadros is not going to attend it, whether or not the President goes down.

It seems to me that we have bent over backwards with a lack of assertiveness at some of these meetings.

I can see a reason, perhaps, and would have seen some benefit, of course, if the President could have the time to go down there or something of that kind, but I do not see any burning issue on that at all. I could see a lot of very disagreeable, not exactly insults, but disparagement of our position, for instance, if the President did go down and these other Presidents did not go.

HOW LONG WILL WE BE KICKED AROUND?

It seems to me that so much of the basis upon which these meetings is pitched is that we are responsible for this program. There still has not been a realistic assumption of responsibility or a demonstration of the practical things of these Latin American countries.

True we have the money, the big bulk of it, in the hemisphere. We have the industrial organization and the know-how, and we have the ability for leadership in all this field.

But, to put it simply, how long are we going to be kicked around in these countries? How long are we going to let them criticize everything we do, and sit back and use the manana theory that they will get around to doing this tomorrow, and it is up to us to go forward and lay the basis for all these things, and that we owe it to them as a matter of right?

I know it is a difficult thing. I know you cannot rub sovereign countries and sovereign peoples the wrong way, and go up to them and say, "You have got to do this."

But it seems to me that we get ourselves into a position of apology all of the time. They keep their demands going up, and yet things that they, many of them, know they have to do, they ought to do, they expect us to come in and do it for them. Then they go after American business and American enterprise in these countries.

To me it is especially offensive, the attitude that Brazil is taking. Quadros wouldn't even come to the meeting in Rio when we were there a few months ago.

MEETINGS ARE AT MINISTERIAL LEVEL

Secretary **Dillon**. That was the meeting of the whole inter-American community.

Senator **Hickenlooper**. That is right; and yet he complains because our President does not leave Washington at a time of great tension and great international complexities.

Secretary **Dillon**. I do not think he has complained at all.

This meeting was, of course, and is, a meeting of the Finance Ministers of the American States in accordance with the provisions of the Charter of the OAS. It is a special meeting of the Inter-American Economic and Social Council, which is the Finance Ministers at the ministerial level, so those will be the representatives of various countries.

Senator **Hickenlooper**. I think it should be, and I'm not complaining about the fact the President is not going down.

Secretary **Dillon**. No.

Senator HICKENLOOPER. I can see every reason why he has many more things he has to do here than to go to that particular meeting, because that should be a meeting handled at the ministerial level.

Secretary DILLON. That is right.

If he did go, the idea originally had been that he would just have gone to make one speech to this meeting because of his interest in the Alliance for Progress, in starting it; not that he would have gone and met a lot of other Presidents there. I do not think there was any idea that any of the other Presidents would come, except when they heard he might be coming a number of them said, "If you are going to be there, we want to take advantage of this opportunity to come over and have a talk with you."

But it was not really to attend the meeting, and so I think the fact that Quadros was not going was not any particularly bad thing in that connection.

HOST COUNTRY PRESIDENT SHOULD ATTEND

Senator HICKENLOOPER. No, I do not mean it quite that way. I do not see an occasion for a President of any of these countries, unless it should be the President of the host country, as a welcoming gesture.

Secretary DILLON. Yes, he would be there all right.

Senator HICKENLOOPER. That is why I was rather surprised that Quadros would not come over to this meeting, as the President of the host county and as a gesture.

Now, I do not think it is indicated that any of these Presidents would be there but, by the same token, you no doubt have seen the statements that this Conference may have a great damper put on it because Mr. Kennedy is not going to be down there, and not going to come.

Secretary DILLON. That should not put any——

Senator HICKENLOOPER. True, we have originated the general idea, or taken the lead in this general unity business and cooperating business.

ABSENCE IS NO GROUND FOR CRITICISM

Secretary DILLON. I should think that the President's presence or absence should not make much difference about what actually comes out of the Conference.

I think that a number of the Latin American countries felt that if he took the trouble to come down there, it would be sort of a gesture and a sign of his interest in Latin America. As such, the Latin Americans would all think they were being given the same full attention as given, for instance, to Berlin when he took a trip over to Europe to see the French and see Mr. Khrushchev and to see the British.

But it is not, I do not think, closely bound in with the work of the Conference.

I am not saying that this is a justified feeling, but I think if you want to describe what they feel——

Senator **Hickenlooper**. Yes, I understand it. I think it would be a very fine thing if it were convenient to go. I am not objecting to that. But I see no necessity whatsoever for——

Secretary **Dillon**. For being criticized for not going.

Senator **Hickenlooper** [continuing]. For any attitude being taken that if he does not see fit to go down to this meeting, we are downgrading it.

Secretary **Dillon**. No, I think that is quite correct. It is not logical to take that attitude.

Senator **Sparkman**. I wonder if that represents the thinking of the people or is that some conclusion that has been drawn by a newspaper reporter? I read this story.

Senator **Hickenlooper**. John, I tried to say I do not know what the fact is. I am only saying what the newspaper story said.

PRESIDENT ADVISED NOT TO ATTEND

Secretary **Dillon**. Secretary Woodward would probably be more familiar with that than I am.

Mr. **Woodward**. I can tell you, Senator, that when Ambassador Stevenson made his trip around South America to develop more interest in the quid pro quo aspect of this Alliance for Progress, that is, the self-help, the fundamental reforms that we are hoping that the other countries will take, in the course of a conversation with President Allesandri of Chile, in which I sat in, he asked the President's opinion as to whether he thought it would be useful for President Kennedy to attend this meeting, just to get his friendly opinion. President Allesandri said, "Answering you purely as a personal friend, my advice is that President Kennedy not go to the Conference," and he said, "The reason I give that advice is that I think that the people would expect new, large commitments of the United States, that their expectations had been raised, and I think it would probably be a mistake for President Kennedy to go."

But he also said, "If he does go, I would be very glad to go over there and talk with him."

The **Chairman**. Yes. They also do not recognize and realize what a problem he has with his Congress here, too, with foreign aid and all these difficult problems. I strongly advise him to stay here, don't you Bourke?

Senator **Hickenlooper**. There are no problems there that I know of.

The **Chairman**. I was looking for a word of reassurance.

Senator **Hickenlooper**. I was looking for some other problems.

A STRANGE LINE OF REASONING

Senator **Sparkman**. I'm not so sure but what it is a fact that his going down might overplay the thing and make it seem that we are trying to get them to take our lead.

The **Chairman**. I am glad he has decided not to go.

Senator **Hickenlooper**. I hope I made clear that I think he should not go.

I am only asking if there is meat and substance in the feeling on the part of the Latin American countries that it is simply because he does not drop everything here and go down to this meeting, which is a ministerial meeting——

Secretary **Dillon**. That is right.

Senator **Hickenlooper** [continuing]. Which is not a head of state meeting, and if he does not drop everything that we are downgrading it.

I was merely objecting to that rather strange line of reasoning that seems to be reported in some of the newspapers.

Whether it is true or not, so far as the government officials and others are concerned, I do not know.

EXPRESSION OF SUPPORT

The **Chairman**. Well, you have the best wishes of all of us. If there is anything we can do to help you we will.

We passed the best act we know how.

Secretary **Dillon**. We hope that we will have all the help down there of the two members of your committee.

The **Chairman**. I am expecting that you will.

Secretary **Dillon**. They will be very helpful to us.

The **Chairman**. The meeting is adjourned.

[Whereupon, the committee adjourned at 4:10 p.m.]

MINUTES

MONDAY, JULY 31, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 11:55 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Mansfield, Lausche, Symington, Wiley, Hickenlooper, Aiken, and Williams.

On motion by Senator Lausche, the nomination of Edmund A. Gullion to be Ambassador to the Republic of the Congo as unanimously approved on a voice vote, for report.

The chairman announced that he had been advised that former objection made to the nomination of Jonathan W. Daniels to be a member of the U.S. Advisory Commission on Information by Senator Jordan of North Carolina had been withdrawn. Mr. Daniels' nomination was thereupon approved for report on motion by Senator Lausche, seconded by Senator Aiken, on a unanimous voice vote.

Consideration of the bill (H.R. 6765), To authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, was laid over temporarily.

The bill (S. 653), To provide for the presentation by the United States to the people of Mexico of a monument commemorating the 150th anniversary of the independence of Mexico, and for other purposes, was passed over temporarily.

For record of the proceedings, see the official transcript.

[The committee then adjourned at 12:15 p.m.]

MINUTES

MONDAY, JULY 31, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 3:15 p.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Lausche, Church, Symington, Wiley, Hickenlooper, and Carlson.

The committee began its mark-up of the bill (S. 2000), To provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:25 p.m.]

MINUTES

TUESDAY, AUGUST 1, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met at 10:30 a.m., in executive session, in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Church, Symington, Wiley, Hickenlooper, Aiken, Capehart, Carlson, and Williams. Senator Sparkman presided at the outset.

The committee continued its mark-up of the bill (S. 2000), To provide for a Peace Corps.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:30 p.m.]

MINUTES

THURSDAY, AUGUST 3, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:45 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Gore, Church, Symington, Wiley, Hickenlooper, and Aiken.

The committee continued with its mark-up of the bill (S. 2000), To provide for a Peace Corps.

The committee recessed at 12:30 p.m.

Afternoon Session

The committee reconvened in executive session at 2:40 p.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Hickenlooper, Capehart, and Williams. Senators Wiley, Gore, Humphrey, Dodd, Symington, Church and Aiken later joined.

The committee continued its mark-up of the bill (S. 2000), To provide for a Peace Corps.

For record of the proceedings, see the official transcript.

[The committee adjourned at 6:20 p.m.]

MINUTES

FRIDAY, AUGUST 4, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:35 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Humphrey, Morse, Gore, Lausche, Church, Symington, Wiley, Hickenlooper, Aiken and Williams.

The committee continued with its mark-up of the bill (S. 2000), To provide for a Peace Corps.

Upon final consideration, Senator Humphrey moved that the bill be reported favorably, and on this motion the members were recorded as follows:

YEAS	NAYS
Senator Sparkman (proxy)	
Senator Humphrey	
Senator Mansfield (proxy)	
Senator Morse (proxy)	
Senator Long (proxy)	
Senator Gore	
Senator Lausche	
Senator Church	
Senator Symington	
Senator Wiley	
Senator Aiken	
The Chairman	

Senator Dodd's proxy was voted by Senator Symington, in the affirmative. Senator Hickenlooper announced that he believed Senator Carlson would like to be voted in favor of the bill, but that he did not have his proxy, in Senator Carlson's absence.

Senator Hickenlooper and Senator Williams abstained from the vote.

Thus the bill was ordered reported, as amended, 13 to 0.

For record of the proceedings, see the official transcript.

[The committee adjourned at 12:10 p.m.]

MINUTES

WEDNESDAY, AUGUST 9, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 10:40 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Lausche, Symington Wiley, Hickenlooper, and Aiken.

Robert L. Garner, president, International Finance Corporation, accompanied by IFC officials, appeared and made a presentation in favor of the bill (H.R. 6765), To authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock.

On motion by Senator Lausche, and without objection the committee approved for report the nomination of Frank A. Southard, Jr., to be U.S. Executive Director of the International Monetary Fund, and the nomination of W. Walton Butterworth, to be the U.S. Representative to the European Communities with status of an Ambassador.

The committee again passed over the bill (S. 653), To provide for the presentation by the United States to the people of Mexico of a monument commemorating the 150th anniversary of the independence of Mexico.

The chairman called attention to the proposal to have hearings on the bill (S. 2180), To establish a Disarmament Agency for world peace and security, saying that for the first time to his knowledge, the administration, in addition to its own witnesses, had suggested a panel of private witnesses for the committee to invite. As this was not customary, he asked for the committee's views. It was agreed the committee should respond by agreeing the committee would hear the suggested non-Government witnesses if they desired to be heard, but to point out that if the administration suggests non-Government witnesses in support of Government programs, it will invite opponents to seek like privileges. The chairman said he wanted the record to be clear that the committee was not accepting the administration's suggestions as a normal procedure.

The business of the committee then reverted to H.R. 6765, amending the articles of the IFC by permitting investment in capital stock. The chairman directed the clerk to call the roll, and the members responded as follows to a motion to report the bill favorably:

YEAS	NAYS
Senator Sparkman (proxy)	Senator Lausche
Senator Humphrey (proxy)	Senator Hickenlooper
Senator Mansfield (proxy)	Senator Aiken
Senator Morse (proxy)	Senator Capehart (proxy)
Senator Long (proxy)	Senator Carlson (proxy)
Senator Gore (proxy)	Senator Williams (proxy)
Senator Church (proxy)	
Senator Symington (proxy)	
Senator Dodd (proxy)	
Senator Wiley (proxy)	
The Chairman	

The result was announced at 11 ayes, 6 nays.

The chairman asked that the vote of Senator Symington, which he had recorded in the affirmative by proxy for the Missouri Senator, be changed to show him as "passing."

The amended result accordingly was announced at 10 ayes, 6 nays, and so the bill was ordered to be reported favorably, without amendment.

For record of the preceedings, see the official transcript.

[Thereupon the committee adjourned at 12:30 p.m.]

MINUTES

WEDNESDAY, AUGUST 9, 1961

United States Senate,
Subcommittee on Far Eastern Affairs of the
Committee on Foreign Relations,
Washington, D.C.

The subcommittee met in executive session at 2:30 p.m., in room F-53, U.S. Capitol.

Present: Senator Lausche (subcommittee chairman), and Senators Dodd, Wiley, Hickenlooper, and Carlson.

The meeting was with Professor David Rowe. No record was kept nor transcript taken at the meeting.

MINUTES

WEDNESDAY, AUGUST 16, 1961

UNITED STATES SENATE,
SUBCOMMITTEE ON FAR EASTERN AFFAIRS OF THE
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The subcommittee met in executive session at 9:45 a.m., in room F-53, U.S. Capitol.

Present: Senator Lausche (subcommittee chairman), and Senators Fulbright and Wiley.

Ambassador William Trimble of Cambodia briefed the subcommittee on recent events in that nation.

No record was kept nor transcript taken of the meeting.

MINUTES

WEDNESDAY, AUGUST 23, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met at 10:45 a.m., in room F-53, U.S. Capitol, in executive session.

Present: Chairman Fulbright, and Senators Sparkman, Mansfield, Lausche, Wiley, Hickenlooper, Aiken, and Capehart.

Peyton E. Kerr, Deputy Assistant Secretary of State for Economic Affairs, testified on the Treaty with Belgium (Executive J, 87th Congress, 1st Session) and the Treaty with the Republic of Viet-Nam (Executive L, 87th Congress, 1st Session).

Following his presentation, the committee, on motion by Senator Sparkman, seconded by Senator Lausche, approved both treaties for report by unanimous voice vote.

The committee fixed the dates of August 28 and September 1 for executive consideration of the bill (S. 2180), To establish a U.S. Disarmament Agency for World Peace and Security.

William Tyler, Deputy Assistant Secretary of State for European Affairs, then testified on the bill (S. 2423), To provide for the appointment of a representative of the United States to the Organization for Economic Cooperation and Development, and for other purposes.

On motion by Senator Lausche, seconded by Senator Capehart, the committee approved for report the Foreign Service list of August 10, by unanimous voice vote.

For record of the proceedings, see the official transcript.

[Whereupon the committee adjourned at 12:10 p.m.]

MINUTES

THURSDAY, AUGUST 24, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in an informal, executive session at 9:30 a.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Mansfield, Church, Hickenlooper, and Aiken.

The committee discussed new Latin American housing in Peru with E. Howard Wenzel, Jr., vice president, Latin American Operations, World Homes, Inc., of Wichita, Kans. Officials of the State Department and the ICA were also in attendance.

No record was kept or transcript taken of the meeting.

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY (MARK-UP)[1]

[EDITOR'S NOTE.—The threat of nuclear war seemed imminent during the Berlin crisis of 1961, and after the resumption of nuclear testing by the Soviet Union (atmospheric) and the United States (below ground). Said President Kennedy: "Every man, woman and child lives under a nuclear sword of Damocles, hanging by the slenderest of threads, capable of being cut at any moment by accident or miscalculation or madness."

During his campaign for the presidency, Kennedy had complained that less than 100 officials, scattered through the Government, were focusing their attention on disarmament. To correct this, on June 29, 1961 he proposed that Congress create an Arms Control and Disarmament Agency for World Peace and Security. S. 2180 was referred to the Foreign Relations Committee, which reported it out on September 6, the day after the President had ordered a resumption of U.S. nuclear testing. On September 8 the Senate passed the bill by a 73 to 14 vote. On September 19, the House voted 291 to 54 to adopt its own version of the measure, H.R. 9118, which differed from the Senate bill in the name of the agency and in its semi-autonomous status (rather than establishing it within the Department of State). A conference committee then resolved the differences between the two bills by creating a separate agency, to be called the U.S. Arms Control and Disarmament Agency, whose director would have direct access to the President but would also be under the direction of the Secretary of State. The Senate and House accepted the conference report on September 23, and the President signed the bill as Public Law 87-297 on September 26. In November, test ban talks resumed in Geneva, and agreement on a treaty was reached in 1963.]

MONDAY, AUGUST 28, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10:40 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Lausche, Symington, Wiley, Hickenlooper, Aiken, and Williams.

Also present: Mr. Marcy and Mr. St. Claire of the committee staff.

The CHAIRMAN. The committee will come to order and we will hear the sponsors' proposals about it.

OPPOSITION TO THE BILL

Senator LAUSCHE. Was there any opposition to the bill in the hearings?

Senator WILEY. What bill?

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[1] See Appendix B, page 679.

Senator **Lausche**. This disarmament.

The **Chairman**. S. 2180.

Senator **Lausche**. No one appeared against it?

Mr. **Marcy**. No, sir.

Senator **Lausche**. Has there been much mail against it?

Mr. **Marcy**. It runs about 50–50. There was a coalition of American Patriotic Societies that wanted to be heard, but canceled out the last minute.

Senator **Wiley**. Mr. Chairman, seeing that I am on the bill, I can make a short statement.

The **Chairman**. The committee would welcome it.

AN INSTRUMENTALITY FOR DISARMAMENT

Senator **Wiley**. The purpose of the bill, and it is not simply my idea, but it is the idea of McCloy,[2] the adviser to the President, is to create an instrumentality that if and when opportunity should present itself—that is, if the facts in the world are such that it will be time for seeking to find some appropriate action of disarmament, you would have a group of people who were up on all the facts, who knew the character of the people that represented the other nations. In other words, you would not put yourself in the position where, like Chamberlain at Munich, he came back and said "We will have peace in our time" and, of course, Hitler immediately broke that agreement.

The purpose of this, as I understand it, after talking with McCloy and hearing him, is that the objective of the bill is to have an instrument, as I said, available if the time is ripe for them to go into action to see if something in the nature of disarmament could be effected. Whether that is around the corner, or whether it is a century from now, I could not tell. But I think the objective is good, but that we must make sure that the people of this country do not get the idea that this is to put them to sleep. It will not be a soporific pile of any kind, it will be simply seeking to have an effective agency available.

I think the word "effective" means an agency made up of folks who know the facts, who know the people, who will represent the nation, and I say know the people—know whether they are reliable, whether you can take their word, whether, in other words, an agreement would be considered a scrap of paper or whether it could be made into an effective instrument for disarmament.

THE DANGER INVOLVED

Now, that is the object of this bill. It is not any miracle worker. We do not expect it to work miracles. I think that its main purpose is, as I said, and we have to make sure that it does not go out to the people of this country to create a condition where they feel that we are ripe for disarmament. I think that would be very dangerous.

Senator **Lausche**. That is your danger. That is the danger of it.

Senator **Wiley**. Yes.

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[2] John J. McCloy, adviser to the President on disarmament and arms control, January–October, 1961.

The CHAIRMAN. Well, that is the way I understood it from Mr. McCloy, too. We have had this kind of activity going on. The Stassen experiment went on at some length. He had a special status in the White House hierarchy. McCloy is very anxious to have this somewhat formalized. He thinks their main function these days is to be informed and when they are presented with proposals that someone should have been giving attention to it and not be caught completely uninformed about the significance of any proposed arms control. The idea is all right. Whether or not this is the way to set it up is the question for the committee to determine. We have been doing this. We have had somebody in an informal way concerned with it now for—how many years? A long time, anyway. The question is, is this the right way to set it up.

Senator AIKEN. Maybe we should have kept it in this committee, Mr. Chairman. It would be cheaper.

The CHAIRMAN. Let us take a look at it.

REALISTIC DISARMAMENT

Senator HICKENLOOPER. May I just make a statement, inasmuch as I have something in this bill proposed. I have a letter from Mr. McCloy which has just been delivered to me and he is in disagreement, which is understandable. I do not resist the major purposes of this bill at all. I think we could get considerable advantage from a well-schooled, capable, professionally qualified group of people to study the question of disarmament. My basic overall question about this bill—the questions are two.

One, the very thing that we mentioned a moment ago, the creation of the idea that all we have to do is set up an agency and we will have disarmament. That will feed the first of the people in this country who write to me and to all of you that all we have to do is to talk nice to the Russians and engage in a Christian spirit of amity toward all men and we will have peace in the world.

Senator AIKEN. It has a conflict in here.

Senator HICKENLOOPER. I think we must be careful that we do not create that connotation—not that we do not want disarmament—we want realistic disarmament—but that we do not create the idea that disarmament is a realistic thing at the moment. Study it, yes, get the facts, get all the information, yes. That is number 1.

A SUPER AGENCY

Number 2, I think that this bill sets up a super and a supra agency, which has the power, as the bill is written, to cut across all other agencies of government and superimpose its activities, probably to the confusion of many departments of government, and it even goes so far as to propose, although they deny that it has that specific authority, and of course, it does not, the President still keeps control of these things—but the negotiation of treaties, the negotiation of agreements with other countries, which extends its power pretty far. It does not say they can sign them, but they can hold these conversations and talk with these people and get us into some rather confusing situations. I think its authority should be pretty carefully looked at and I think the place where it possibly conflicts and overrides other agencies of government should be pretty carefully examined.

I have tried to do that basically in these amendments, in order to keep it from being a supra-agency at this moment, anyway. But so far as the gathering of technical data so that it will be able to give answers on many subjects are concerned, I think that is a good purpose.

Senator AIKEN. I would think, Mr. Chairman, bearing out what Senator Hickenlooper has said, his contention that this will be a superagency was upheld by the testimony of Senator Humphrey, sponsor of the bill, who told this committee:

> So what we are really doing in this bill, as I see it is to say very frankly through the legislative process: "Look, Mr. President, you may have your favorites, and that is your privilege, and you are President of the United States and can invite whomever you wish to the White House." But insofar as authority is concerned, we are saying that the Director of this agency shall be able to say to the Secretary of Defense, "These functions will be transferred. This research will be brought into such and such an agency."

In other words, according to the sponsors, he would have authority greater than the Secretary of Defense or any other member of the President's Cabinet.

Senator HICKENLOOPER. I think it is a very serious bill. It has very serious ramifications.

Senator AIKEN. That is indicated in the proviso and the contention that we should have more than normal security checks for the members or employees of this agency. In other words, we start off talking nice to everybody in the world and saying how we want peace with everybody and trust in brotherhood and then provide for abnormal security checks for employment purposes. There is an inconsistency there, I think.

Senator AIKEN. If we start off without trusting anybody under the sun, it is going to be difficult to acquire friends in this manner.

AGENCY'S RELATIONSHIP WITH STATE DEPARTMENT

Senator LAUSCHE. The bill provides that this agency shall be in the State Department?

Senator HICKENLOOPER. It is really above the State Department.

Senator SYMINGTON. It is half and half, half in and half out. Now you see it, now you do not.

Senator LAUSCHE. I thought I saw somewhere that it is supposed to be in the State Department. That, of course, would seemingly justify the Secretary of State being superior to the agency.

Senator SYMINGTON. But it says that the head of it has access to the President. It is very cloudy on that score.

Senator HICKENLOOPER. And he is the Presidential adviser on these things. The Secretary of State is not. Maybe the Secretary of State should not be. I do not say that he should.

Senator SYMINGTON. Why not?

Senator HICKENLOOPER. I just say I am leaving that open for argument. But I say that here you set up an agency and set up a man who is by law, the Presidential adviser. Now, there are so many elements that enter into the question of disarmament, fundemental is the question of national security.

Senator SYMINGTON. Bourke, if you will yield to me just a minute, I am in sympathy with what you say. We have the Peace Corps and we have Food for Peace.

Senator LAUSCHE. Dollars for Peace.

Senator SYMINGTON. The more the enemy seems to advance from the standpoint of military success, the more we advance from the standpoint of what looks like compromising. I think the agency should be under the Secretary of State. I made the point in great detail. I do not see why you cannot have an Under Secretary of State in charge of disarmament. I think it would be extremely dangerous to put this man in this agency, ostensibly under the Secretary, who has already been gifted with quite a few political appointments, and from the standpoint of operating successfully in this field, which I presume is the reason for the agency, I do not think it is organized properly in the bill.

JACKSON AMENDMENT

The CHAIRMAN. I received this morning a suggested amendment from Senator [Henry] Jackson, who, as you know, has made some study of this. It is more in accord with what you say, if I read it correctly.

Senator SYMINGTON. I have not seen the letter.

The CHAIRMAN. He says:

> In harmony with and in support of the national security policies of the United States and subject to the direction of the Secretary of State as the principal adviser on foreign policy, the agency should give its attention to the problem of the control and reduction of armed forces and armaments and shall be the principal instrument of the United States Government for assuring research and advice on these problems for international negotiations concerning them, and for participation by the United States Government in international arrangements for the control and reduction of armed forces and armaments.

[The complete memorandum is as follows:]

FROM: SENATOR HENRY M. JACKSON (D., WASH)

AMENDMENTS TO S. 2180, A BILL TO ESTABLISH A U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

This memorandum recommends certain amendments to S. 2180 for consideration by the Senate Foreign Relations Committee.

Relationship of the Director to the Secretary of State and the President

The Secretary of State is the President's principal adviser on foreign policy. The Secretary has the responsibility for developing a unified, single foreign policy and recommending it to the President. Likewise, the Secretary has the main responsibility on behalf of the President for directing the execution of a unified foreign policy, including coordination of areas which involve the concern of other departments.

Disarmament policy is one part of foreign policy and must be consistent with that policy as a whole—both in formulation and execution.

Therefore, the Director of the Disarmament Agency should be an adviser to the Secretary of State as well as to the President, and should carry out his functions under the direction of the Secretary of State on behalf of the President.

Such a relationship to the Secretary of State would, in fact, be a protection for the new Director. That is one lesson from the appointment of Harold E. Stassen as a special assistant to the President on disarmament, his subsequent difficulties with the Secretary of State, and his resignation.

To clarify the purposes of the new agency in relation to our foreign policy and to clarify the relationship of the Director to the Secretary of State (while protecting the Director's access to the President), two specific amendments are proposed.

1. The entire *Section 2* (Purpose) should be struck, and the following *Section 2 substituted:*

Purpose

Sec. 2. Consistent with the obligations freely undertaken by the United States in signing the Charter of the United Nations and in furtherance both of the purposes of the Charter and also of its own long and sincere efforts to achieve international peace and security through international agreements to control and reduce armed forces and armaments, a United States Disarmament Agency is hereby created.

In harmony with and in support of the national security policies of the United States and subject to the direction of the Secretary of State as the President's principal adviser on foreign policy, the agency shall give its attention to the problems of the control and reduction of armed forces and armaments and shall be the principal instrument of the United States government for assuring research and advice on these problems for international negotiations concerning them, and for participation by the United States Government in international arrangements for the control and reduction of armed forces and armaments.

Among other things, it is the purpose of Congress in creating this agency to emphasize anew that the foreign and defense policies of the United States are designed to contribute to the achievement of the universal goal of international peace and security by the creation of a world order in which the use of force is subordinated to the rule of law and in which the principles of individual freedom are everywhere respected.

2. In Sec. 22, lines 19 (beginning "The Director . . .") through line 22, should be struck, and a new Sec. 23 added, as follows:

New Section 23. Disarmament policy is one part of foreign policy and must be consistent with national security policy as a whole. The Director shall therefore serve as the principal adviser to the President and the Secretary of State on disarmament matters, and in carrying out his duties under this Act shall, under the direction of the Secretary of State and on behalf of the President, have primary responsibility within the government for disarmament matters.

(Adoption of this new Section 23 will require a number of perfecting changes on subsequent sections 31 through 37 (Functions), and section 23 (Reports to Congress) to assure consistency)

Security Provisions

Following up on Mr. Lovett's expressed concern about the need for more than normal security checks for the new Agency's personnel, the language of Sec. 45(a) should be tightened as follows:

Sec. 45(a). The personnel of the agency must have such access as may be necessary to the effective performance of their duties to the most sensitive information. Furthermore, they must thoroughly understand the national security policies established by the President and Congress. The Director shall therefore establish such security procedures, requirements restrictions, and safeguards as rigorous as those applicable to other governmental posts of corresponding sensitivity.

STATUS OF THE AGENCY

The CHAIRMAN. This point you have already mentioned is the one that bothers me, just what its status is. I have never been able to associate it from its direction to this date. They do not disassociate it. As you say, it is kind of fuzzy.

Senator SYMINGTON. That is right, which is worse than nothing.

The CHAIRMAN. We do not know what its status is.

Senator SYMINGTON. Everybody can say we did not do it.

Senator LAUSCHE.

The Agency shall be headed by a director, who shall be appointed by the President by and with the advice and consent of the Senate. He shall receive $22,500 per annum. The director shall serve as the principal adviser to the President on Disarmament matters.

Then they go on to say:

> Under the direction of the President and Secretray of State, the director shall have primary responsibility within the goverment for disarmament matters.

They try to cover up the fact that at the beginning, he is given a superior position to that of the Secretary of State and they try to cover it up by saying that under the direction of the Secretary of State, and so on.

Now, what is the need of this? Has it not been done before now?

The CHAIRMAN. It has been on a sort of ad hoc basis and Stassen[3] was the first one that I remember who played much of a role. He was the President's personal representative in these negotiations. He had no part—no status with the Secretary of State at all, did he?

Senator HICKENLOOPER. No. This was the trouble.

The CHAIRMAN. He was the President's adviser.

Senator HICKENLOOPER. That is what was the trouble. He completely by-passed the Secretary of State and he was recommending one policy and the Secretary of State another.

BETTER PREPARED NEGOTIATORS

The CHAIRMAN. The best argument I can understand, Frank, from McCloy's statement, is that he does not expect anything suddenly to happen, but this development of nuclear weapons, that changed character of a possible war, has made this matter very critical. He claims that we send people into these negotiations, sometimes poorly prepared to discuss them, and his fear is that we may enter into them and they will continue and that we may enter into them and possibly accept proposals which are ill advised. I mean this idea is a good one.

In other words, we have to have people, if you are going to have them, and he thinks you are bound to have negotiations about the control of nuclear weapons. While they may be temporarily suspended during this crisis, these negotiations will recur. The character of weapons that have been developed will put such a powerful impetus behind this move that they are bound to continue. It is very foolish, foreseeing this, not to set up a group of people that will devote their time to this and will be able to understand and analyze any kind of proposal in this field and not just send people over that have had no background in it and sit down with the Communists and try to work out some kind of a program.

In a sense, it is defensive, it is to be darned sure we do not accept anything that is not sound. That is one of the most persuasive arguments he made, that you do not want to go into this cold, when and if they recur, and it is very probable that they will recur.

I do not know when, he does not know when. At the moment they are suspended, although they have not been abandoned. Theoretically, we are still supposed to reenter these negotiations. The Communists insist upon being very broad in considering total disarmament. They make statements that are appealing to the public and he thinks the pressure from the public will rise in a demand that we pariticipate in them. His main and most persuasive point is that some way must be developed where you have people who are giving long and serious thought to this, who are experts—not just pick someone and send him over because he has a good name, has been a good lawyer or maybe something else. That is the central core of his idea——

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[3] Harold E. Stassen, Special Assistant to President Eisenhower for disarmament studies.

Senator SYMINGTON. Whose idea?

The CHAIRMAN. McCloy's. What I am saying is what he came and said to me.

SECRETARY OF STATE SHOULD DIRECT AND CONTROL FOREIGN POLICY

Senator SYMINGTON. I am in complete agreement with this. There are three things a man has to know to do the job: First, who reports to him; second, to whom does he report; third, what is he supposed to do.

That man should be able to direct and control the foreign policy of the United States, subject to the President and the Congress. This situation here, in my opinion, is loaded with dynamite. A man in this job could get things pretty badly mixed up and the Secretary of State would be in a position of "what could I do about it, he does not report to me and so forth." It makes no sense to me.

The CHAIRMAN. Stuart, what I was saying, I did not mean it with regard to the actual organization, it was with justification for anything being done.

Senator SYMINGTON. Yes, well, I think something——

The CHAIRMAN. How you do it, what you are talking about, is another problem.

Would you say we could generally agree that something serious ought to be done, first, before you go into how you do it and how it is set up? Do you feel something is necessary?

Senator HICKENLOOPER. I want to say that, as I understood what you said a moment ago, I feel Stu was talking to a little different phase of the thing. I think I agree with both of you. Now, that is an interesting thing.

The CHAIRMAN. There are two different phases of it.

Senator HICKENLOOPER. I agree with you, Mr. Chairman, as I tried to say at the outset, I think it would be advantageous to have a proficient, skilled, knowledgeable, technically sound agency which could give the answers to the proper people.

Senator SYMINGTON. I agree.

Senator HICKENLOOPER. That is number 1.

The CHAIRMAN. That is what I was talking to.

Senator HICKENLOOPER. I agree with that thoroughly.

CHAIN OF AUTHORITY

Now you get over into what Senator Symington was saying as to the administrative functions, the chain of authority and the area in which this agency can or cannot work with autonomy. Then you get to the point where you get into trouble if you follow the way this bill is laid out in its original inception. I think that we would be getting into very serious authority if we set up a supra-agency, and by supra I mean over and above other agencies, with the ability to demand the transfer of functions from the military establishment, the transfer of functions from even the State Department. They can transfer functions from the State Department to this agency. Of course, it says with the approval, but it is contemplated in here and provided that they will transfer many functions into this agency from the various departments of government. Now, if you want a mare's nest or a can of worms, I think that is the way to do it.

Senator SYMINGTON. That is right.

Senator HICKENLOOPER. I do not resist and I do not intend to resist and I intend to support, if I can, an agency of proficiency, experts, let us say, to give answers to many questions. But I think when you stray very far away from the Secretary of State as the articulate, active, responsible person for foreign policy under the President, it is getting into trouble.

Senator SYMINGTON. Bourke, it goes deeper than that, because anybody knows that the President can talk with anybody with whom he wants to talk. All he has to say is to the Secretary of State, if he wants to, bring over Under Secretary Smith. Then the President makes up his mind. This is not only, in my opinion, a buildup of the future man, which he does not in any way justify, based on his past experience, but it is a denigration of the Secretary of State.

COMPARISON TO ATOMIC ENERGY COMMISSION

Senator HICKENLOOPER. I fully agree with you. Here is the Atomic Energy Commission dealing with the most volatile and violent and explosive, in more ways than one, means which has been developed.

The CHAIRMAN. You are responsible for a lot of this, you boys.

Senator HICKENLOOPER. We do not let the Atomic Energy Commission go in and tell other departments what they do. We have made the Atomic Energy Commission a service agency, that is what it is. It is called upon, through the President, for the production of certain things that are needed as other expert departments say they need them, requirements are laid down. If the Atomic Energy Commission can furnish them, if it is within technical and scientific competence, they produce it on order. They cannot go to foreign governments and negotiate. They cannot demand that you assign functions to the Atomic Energy Commission and it is producing today the most terrible weapons that we have. We just have not done it in the past that I know of.

I do not know when we have set up such a comprehensive supra-agency, over all other agencies, as this bill contemplates and that is what I think we ought to give some pretty serious thought to.

THE PRESIDENT CONDUCTS FOREIGN POLICY

Senator LAUSCHE. Can we begin with the premise that there is now vested in the State Department the responsibility for conducting foreign relations in a manner that will maintain peace for our country throughout the world, and if you begin with that premise, how can you then begin creating a separate agency or a satellite agency that will be performing those functions on a level superior to the Secretary of State?

Senator **Hickenlooper**. That is the difficulty. Of course, Frank, I think from a technical standpoint, we will have to admit that the State Department has no authority, basic authority, to conduct foreign policy. The President is the guy that does it, but the Secretary of State is his arm for that. I believe technically, that probably would boil down to that point.

The **Chairman**. Constitutionally, that is it.

Senator **Hickenlooper**. Constitutionally, the President has been charged with this under the Constitution. The Secretary of State has been set up, that Department, and the Secretary has been set up as his arm. Now, traditionally, the Secretary of State has had wide latitude in his negotiations. The President relies on the Secretary of State, whoever the President is and whoever the Secretary is. We have Presidents repeatedly and I think probably in every administration where the President may, on occasions, disagree sometimes with the Secretary of State. Well, the President prevails, of course. He is the fellow who has the final responsibility.

Here, however, by statute, we are setting up an agency, we are setting up an agency with specific powers in the international field and we had better be careful about it.

REALISTIC AND UNREALISTIC FRIENDS OF PEACE

Senator **Lausche**. I fear that you will have tremendous efforts made to fill this agency with persons whose sole thought will be to avoid shooting, regardless of the consequence, and they will begin arguing with the President, "You are not going to put a vote to protect the land, you had better put in our friends, those who will actually work for peace."

When that is done, what will be the conflict between the Department of Defense and the Department of State? I can hear the argument now being made, put into this agency friends of disarmament and friends of peace, regardless of whether they are realistic or unrealistic.

Senator **Symington**. In that connection, I recommend anybody who was not there read the testimony of the Honorable Robert Lovett, who was not considered the dumbest around this town when he was in the executive branch, and he brought this point out stronger than I have heard him bring out any point since he has left the Government.

The **Chairman**. The testimony on this bill?

Senator **Symington**. Yes.

The **Chairman**. What did he say? I have not seen that.

Senator **Symington**. He said you have to be very careful in the security of this bill, because you do not want to load this agency up with people—he used the word "beatnik," even—with people whose primary interest is along certain lines, that this is a sort of haven. He not only said for pacifists, I think he carried it a little further than that. I would rather not quote him.

Do you have the Lovett testimony here?

Senator **Lausche**. What type of people are already invading themselves into it?

The **Chairman**. He says:

> But, in thinking about this point, since I was asked to appear here, it seems to me that this is going to be a mecca for a wide variety of screwballs. It will be a natural magnet for those rather uninspiring groups that have slogans, "Better Red than Dead," "Surrender up and survive," or the give-up groups.

Senator **Symington**. This is Bob Lovett talking.

A SERVICE AGENCY

The **Chairman**. I would say that if I can summarize it a bit here to start with, that we agree that something ought to be done, that as Bourke put it, it is a service agency. The Commission is for the purpose of having people who are expert on the technical side, especially of atomic energy and atomic weapons and if there is any way of controlling them.

Senator **Hickenlooper**. They envision in this bill, and maybe it is not so bad, some pretty thorough and ramified studies of economics, the effect of disarmament on various countries of the world, of our own scientific and technical possibilities of weapons and mass destruction and the effects of war and potentials and all that sort of stuff, which I do not disagree with, necessarily.

The **Chairman**. You think that is a worthy purpose and a necessary purpose.

Senator **Hickenlooper**. I think it can serve a purpose, provided it is properly controlled.

The **Chairman**. Does it come down to this? The real question we are objecting to here is the form, really, in which they propose to approach this program.

Senator **Hickenlooper**. It is the implementation of the mechanics of operation.

POWER AND AUTHORITY

Senator **Symington**. Mr. Chairman, it is a little more than just a form. They try this time and again in Government. They tried it with Stassen and it was a flop. The Joint Chiefs of Staff, each one of them is a two-headed object. He reports to the Secretary of the service, but he also reports to the Secretary of Defense. I had two Chiefs of Staff under me as a Secretary. You cannot report to two people in Government. You can modify almost any kind of an organization in private business, because you are interested in profit. But in Government, you are interested in authority. A more naked word is power. And you cannot have this kind of an organization.

The **Chairman**. Does this mean, then, that he should report only to the Secretary of State?

Senator **Symington**. Absolutely.

The **Chairman**. That does not have access to the President?

Senator **Symington**. He has access to the President, but he has it on the same basis——

The **Chairman**. Not in the law, I mean.

Senator **Symington**. We did this when I was first Secretary of the Air Force. I was on the National Security Council and Forrestal came to me and said he did not think it was right. He was the boss of all three of us in the Pentagon and then we were all his equals in the White House where we had the meetings, and I could not have agreed with him more. We backed a bill, and we were thrown off the Council.

So I think you have two courses. One is to have this man report directly to the President of the United States. I think that cannot be done, because it would simply mean that he would be out with a new agency, impinging upon the activities and authority of many other agencies, especially the Department of State. The other would be to have him report to the Secretary of State, and I just do not see why that would be wrong. The Secretary of State has a lot of people floating around right now who sometimes we wonder just who they report to.

Without any criticism of it, I think the United Nations to some extent must give him a problem of line authority, which is what we are talking about. But this one, after all we know about what has gone on in various problems in the past in recent years, to set this up deliberately so this man could end-run the Secretary of State any time he wanted to and build up his little clique in the White House staff. I know what I am talking about.

One job I had, I was a member of the White House staff, Chairman of the National Security Resources Board. This will not work. I do not see why we should not just say we would like to see a Disarmament Agency. I think Bourke's idea of talking about it as a service agency, I never heard it put quite that way, makes a great deal of sense to me. He can have his service agency in the Department of State as he goes ahead to set foreign policy under the President of the United States.

Senator HICKENLOOPER. And a high grade one, if you please. If you are going to set one up, set it up with competence.

Senator SYMINGTON. Surely.

PROBLEMS OF DIRECT ACCESS TO THE PRESIDENT

Senator HICKENLOOPER. We had one instance. I will use the Atomic Energy Commission as an illustration. I hope I know a little about that. We have a General Advisory Committee in the Atomic Energy Commission. You cannot get generally a higher level of scientific competence than you could get in that General Advisory Committee. The highest echelon of competent advisers are in there. They do not report to the President, they report to the Chairman of the Atomic Energy Commission and the Commission. The Commissioner reports to the President periodically. But the President has the right to, of course, complete inherent power and authority, and he does it. He will talk to these members of the General Advisory Committee when he wants to. As a rule, as far as I know, he talks to them in the presence of the Chairman of the Commission or the Commissioners, when these things are discussed. It works out pretty well, but their chain of authority, their line of command—if you had certain advisers who I know have been on that General Advisory Committee, if they had direct access to the President and could short circuit the Atomic Energy Commission, you would have a mare's nest over there you could not untangle. Because some of these fellows adamantly oppose certain of these things.

Senator SYMINGTON. It goes deeper than that. Look what an ambassador with plenty of dough up here on Massachusetts Avenue could do from the standpoint of end-running the Secretary of State if he got himself in shape with the head of this new Disarmament Agency. He could have a pretty adventure on some particular pet point.

Senator HICKENLOOPER. It just has me worried, that is all.

Senator SYMINGTON. Mr. Chairman, as you know, I think you were there a lot more than I was and I made quite a point of this in the hearings and I never got anybody to justify in any way why it should be done this way. It did not make much sense to me, if any.

GET ACQUAINTED WITH THE WORLD SITUATION

Senator WILEY. Now, Mr. Chairman, it seems I am the only one on this committee on this bill that is here this morning. I made my opening statement and I will not disagree with anything that has been said here this morning, because I will say that I was asked to put my name on the bill and I did it contrary to the advice of the minority leader, who said one should not be doing that, he should know what is in the bill. But in so doing, I was in favor of creating what has been called an agency that would have for its functions getting acquainted with the world situation, as I said in my opening statement, keeping acquainted with it. That means knowing the people in the other governments so that you are not running into a situation like Chamberlain did with Hitler, that if the time was ever ripe, we would not be caught asleep, we would know what the facts are.

Now, I had no authority, no idea that the bill was as broad in its scope as has been discussed here, in which it is implied that the authority is for them to go ahead and adjust and settle and all this and that. That is not what my thought of the Disarmament Agency was to be. It was to get acquainted, as I have said, with the facts and the individuals, so that we are not asleep at the switch in a world where it does not pay to be asleep.

Now, I suggest, gentlemen, that the bill itself be gone over by you people and that you should have possibly the father of the bill, Humphrey is the one who spoke to me—I see you have [John] Sparkman, [Philip] Hart, [Joseph] Clark, [Clinton] Anderson, [Jennings] Randolph, [Gale] McGee, [Clifford] Case, [Maurine] Neuberger, [Jacob] Javits, [Claiborne] Pell and [William] Proxmire on the bill, who probably got on it the same way I did. But I think it is a matter that called for earnest consideration. As far as I am concerned, I do not think the time is ripe yet for disarmament. But if you cannot fix the bill up to suit you as it should be, then I think the thing should go over until January.

The CHAIRMAN. Well, that could well happen. I thought perhaps a discussion, though, would be useful for the consideration of the Executive and other sponsors.

UNDER SECRETARY FOR ARMS CONTROL

Let us explore this idea a moment. What would be wrong with—we have Under Secretaries now for Administration and Economics and Political Affairs. Why would not an Under Secretary for Arms Control——

Senator LAUSCHE. Do we designate them by statute?

The CHAIRMAN. I believe we do call them just that.

Senator SYMINGTON. One is the Under Secretary and one is an Under Secretary for Economic Affairs. When they asked Mr. Bowles which one was the number 1 of the two, Mr. Bowles modestly said that he was. I thought to myself, maybe you are and maybe you are not. I do not want to do him a disservice, but as I remember the testimony, that was it.

The CHAIRMAN. We went over this and made some special provisions when Dillon was there to give him some status. Do you remember what that was?

Senator HICKENLOOPER. That was for Economic Affairs.

The CHAIRMAN. Then we made him the Under Secretary, too.

Senator HICKENLOOPER. Was it not for Economic Affairs? Was it not a Deputy Under Secretary for Economic Affairs and then we made him——

The CHAIRMAN. I cannot remember.

Will you tell us, Carl, what happened to that?

Mr. MARCY. There is the Under Secretary, and that is the position occupied by Mr. Bowles. Then there is an Under Secretary for Administration, and that is Roger Jones. Then there is an Under Secretary for Political Affairs and then there is an Under Secretary for Economic Affairs. Then below them come the Assistant Secretaries of State.

The CHAIRMAN. Are you sure, Political Affairs? I thought the Under Secretary was the Political Affairs Under Secretary.

Mr. MARCY. No. Well, here:

> There shall be in the Department of State, in addition to the Secretary of State, an Under Secretary of State, two Deputy Under Secretaries of State, and 11 Assistant Secretaries of State, and consistent with the recommendations of the Bureau of the Budget——

Senator SYMINGTON. Wait a minute, now, is this the law?

Mr. MARCY. I am reading from the law as it now exists.

Senator SYMINGTON. Then you only have one Under Secretary of State?

Mr. MARCY. That is right, and two Deputy Under Secretaries of State.

Senator HICKENLOOPER. We had two Under Secretaries of State at one time. Did they expire or what?

Mr. MARCY. I think you are talking about the two Deputy Under Secretaries of State.

Senator HICKENLOOPER. We created Dillon, in my memory, my recollection, by a special act because he was an Economic man, we created Dillon an Under Secretary of State.

The CHAIRMAN. That is what I thought we did. It seems to me that there might have been a 2-year limitation on it.

Mr. MARCY. Who was the Under Secretary, then? Dillon moved up. Dillon was first Deputy Under Secretary of State and then Dillon moved up and became the Under Secretary, the number 2 man, clearly.

I might give you just a little bit more.

> There is established in the Department of State an office which shall be entitled as designated by the President, either Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs, which office shall be filled by appointment by the President by and with the advice and consent of the Senate.

Senator HICKENLOOPER. There is the second Under Secretary of State.

Mr. MARCY. You are right.

Senator HICKENLOOPER. Now, that is the one that was created for Dillon, I believe.

The CHAIRMAN. The organization of April 20, 1961, is the Secretary, the Under Secretary, the Under Secretary for Economic Affairs.

Senator HICKENLOOPER. That is two of them.

Mr. MARCY. I am sorry I misled you there.

The CHAIRMAN. Now you come down, Deputy Under Secretary for Political Affairs, Deputy Under Secretary for Administration, Director of Disarmament Administration. They already have one in there called Director of Disarmament Administration.

Is that in existing law or is that in light of this proposal?

Mr. MARCY. This is created by Executive Order.

Senator HICKENLOOPER. Is that Phil Farley?

A RIGHT TO TALK TO THE TOP

Senator SYMINGTON. I would like to have just a little recess on this for a minute. One of the greatest minds in private industry, was Tom Girdler. He came down here to testify and I said "Who reports to you?" He said "An airplane pilot, two secretaries and an Executive Vice President." That was not so dumb for anybody who is trying to make money in a competitive enterprise system.

What we are doing here is everybody wants to get to where he can go in and see the boss. It is a great disservice to Rusk or any other Secretary of State to make him put up with this nonsense as far as organization structure is concerned. If you want to make a third Under Secretary of State, even ahead of Deputies, I would not object to anything like that so long as on the organizational chart there is not even a dotted line, let alone a line, that makes it possible for this man to go around Rusk to the White House.

Senator AIKEN. You have a disservice to the boss, too.

CONSENSUS OF VIEWS

The CHAIRMAN. What I am trying to get at, it is not for decision but for clarification to the administration as to what the consensus of views of this committee is, so that they can take it into consideration when they review it. Do I understand, then, that you and others here would feel that a third Under Secretary—you see on that chart there, you have the Under Secretary, who is the sort of alter ego and is the general manager, I assume, who, in the absence of the Secretary, is the boss, and not necessarily specialized, although I would take him to be primarily of the broad, political nature.

Then the Under Secretary of Economic Affairs. That is George Ball. Then would you say that next would be another Under Secretary for, we will say, Control of Armaments or Disarmament? I like "Control" better than I do "Disarmament." I think disarmament is a misstatement, because control is all we can hope for.

Senator **Hickenlooper**. On first blush, I would support that, with his reporting directly to the Secretary of State, not having to go through another Under Secretary. I think your Under Secretaries probably all ought to have access directly to the Secretary of State in his particular field, unless you want to put in an Under Secretary who is just an Assistant to handle all.

Senator **Symington**. You could work that out within the State shop.

Senator **Williams**. May I ask what is the position of Secretary Rusk?

Senator **Hickenlooper**. He endorsed the bill fully, but that is the way the Government does.

The **Chairman**. I would suspect he had little choice.

Senator **Williams**. It seemed to me he had a little choice. If he is big enough to be Secretary of State, he is big enough to stand up and say he disagrees with the bill.

The **Chairman**. He may have disagreed with the bill in the beginning, but once it is presented——

Senator **Symington**. Another one that just suddenly occurred to me, in the military, every Secretary had the right to go to the White House when the Secretary of Defense made a decision. They threw that out of the law.

PROTECTING THE PRESIDENT

Senator **Lausche**. My view is that the Secretary of State's powers should be left undisturbed. If there is to be a service agency created, to make sure that information is gathered and scientific knowledge supplied, create an Under Secretary or an Assistant Secretary, whatever we decide upon, in the Department of State. And if you do that, you will be protecting the President, you will be stopping these people who will want to inundate this agency with unrealistic individuals, willing to sacrifice the security solely for the purpose of being able to achieve peace, regardless of cost.

Senator **Hickenlooper**. Let me tell you something right now. Take this off the record.

The **Chairman**. Take it off the record.

[Discussion off the record.]

Senator **Symington**. I agree with Frank's position. That is my position. If the Secretary of State wants an Under Secretary, give him an Under Secretary. Give him all the power the Secretary of State will give him provided he reports to the Secretary of State. Build the thing up any way they want it provided they build it up in the Department of State.

CONTROLLED DISARMAMENT

The Chairman has brought up a point that I think is subject to discussion. I have to leave in a few minutes, because a publisher from my State is coming into town. I am meeting him over here.

But you have the problem of what you call these things. I have done the best I could to understand all this new highfalutin talk about the way the scientists seem to have taken over this field as to how the next war is going to be. I hope they are not as wrong in the next one as they were in the last one, but in any case, you have these three words—Disarmament, Arms Control, and Controlled Disarmament.

Now, controlled disarmament is a sort of throwing of something or other to those of us who believe in arms control. For many reasons, psychological and the fact that you can never have disarmament, without first having some form of arms control, I would hope, for a great many reasons, and Bourke has just brought up some of the most important ones. You will find three or four individuals very much opposed to the words "arms control." They say, well, it does not have any political sex appeal. What are we talking about, sex or security? The words "arms control"—I would go for "controlled disarmament." But I vote against anybody who puts the word up, just straight disarmament.

I think arms control, in the condition that the world is in today, I am glad that the chairman brought it up and I would like to make the point in case I have left and it comes up later.

The CHAIRMAN. Does everybody feel that way about it here, that this is more realistic?

Senator AIKEN. I feel we cannot be too careful about this. If an amendment is proposed saying that nothing shall be construed as impinging upon the functions of the Secretary of State and executive branch, I think meaning the three or four people referring to object to anything like that, meaning the Peace Corps and all the other legislation we pass. I say we cannot be too careful about this.

Off the record.

[Discussion off the record.]

POWERS AND RIGHTS OF THE SECRETARY OF STATE

Senator LAUSCHE. I suppose they will argue that they have protected the powers and rights of the Secretary of State. There is general language in there that, subject to the direction and the permission of the Secretary of State, but I do not think it is adequate.

Here on page 39, Section 34:

> Under the direction of the Secretary of State, the Director may consult and communicate with or direct the consultation and communication with respresentatives of other nations.

What they are trying to do is create—they are creating a hybrid, but they are trying to make it appear that they are not. So in the efforts to get the thing defined, they run into a lot of complications and confusions. They are creating something that ought not to be.

I do not know, Bill, I think you ought to communicate the views which are rather general.

The CHAIRMAN. That is why I want to develop them here, to see if we more or less agree about it. It seems to me that of those present, there is no one who really feels that this proposed agency is an appropriate one. If they have, no one has spoken up about it, and that the nearest we have come is that an Under Secretary of

State for Arms Control is about the nearest we can come to a suggestion of how this should be set up. Is that correct?

Senator HICKENLOOPER. [Nods]

The CHAIRMAN. I notice they call it Director of Disarmament Administration. That of course is a little lower down than an Under Secretary, although it is the next line on the chart. Do you think that would be too low to see them at all? I made that suggestion of an Under Secretary, trying to go as far as I thought we might go in giving him status and dignity.

PSYCHOLOGICAL REACTIONS TO "DISARMAMENT"

Senator SYMINGTON. As you know, Joe Clark is anxious for this bill. I wrote him a note saying that I would be willing to have an Assistant Secretary. I was elevating the guy, I thought, but back comes "I am deeply distressed that you think he should only be an Assistant Secretary." I wrote him back and said make him an Under Secretary. Make him Pope as far as I am concerned, so long as he reports to the Secretary of State. That is the big thing here, that the nature of this job is such that he should report to the Secretary. I like this service agency term, in that they can give him any job he wants, and I would think that Under Secretary for Arms Control would be ideal. Everybody would understand what it is, it would not get you into all the psychological reactions of the word "disarmament" and it would do the job we want to have done.

The CHAIRMAN. I must say it sounds reasonable to me. They have here Deputy Under Secretary for Political Affairs. What is more important than political affairs? It is on a par with this. Political affairs is over this whole thing and it is a Deputy Under Secretary.

In fact, that might be a little more consistent with our general thoughts than Under Secretary. But they do have one for Economic Affairs. As someone has pointed out, I think that was a special thing for Dillon's benefit when he was in there.

Senator HICKENLOOPER. Well, Dillon was handling that end of it, and it is a pretty important field and they ought to give him a commensurate title and that was the argument used.

Senator SYMINGTON. Personally, if I may say so, I think they made a mistake in defining in any way the Under Secretary. I remember when the Secretary of Defense came up, then we had an Under Secretary of Defense, it was put into the law. The legislative history will show that they were so anxious to have a second man superior to anybody else that they changed the name and that is the reason that the Under Secretary of Defense is called Deputy Secretary of Defense.

In other words, they wanted it very clear that that man should be second in everybody's mind, so in case the Secretary of Defense was on vacation or anywhere else, they knew where to go in case there was trouble.

In this case, you could not take this man and make him the second man for sure, like Deputy Secretary of State, because with all due respect to disarmament or arms control, it is only a square on the checkerboard of overall State policy. But I do think you could make him equal to anybody if that is the way they want to handle it.

Senator **Hickenlooper**. I think their purpose, of course, is to elevate him to a position of, well, general equality, so he is not a subordinate dealing with a lot of people in agencies. I do not necessarily oppose that. But I would think an Under Secretary of State would have ample authority, that would take care of him adequately.

Senator **Wiley**. Who is the master mechanic who produced this instrument? Do you know?

Senator **Hickenlooper**. No.

The **Chairman**. I imagine it involved a lot of people. I do not know who really did it.

Senator **Symington**. I would say Mr. McCloy had as much to do with it as anybody.

ARMS CONTROL VS. DISARMAMENT

The **Chairman**. The staff has made an effort to reduce this, as they often do, very helpfully, and I would like to read it for your consideration. We announced we would have this meeting today and will try to have one on Friday. But to get something today, I would like to have your views on it. This is a proposed action that we might take next Friday:

"Resolved,"—this is just language we can consider—

> Resolved, that the Committee on Foreign Relations fully supports the concept that the Executive Branch should devote continued study of the many aspects of disarmament to the end that this government should constantly be prepared for serious negotiations in this field.

I personally would like to use "arms control" rather than "disarmament."

> Resolved further, that the committee recommend that the Executive Branch reconsider the proposals embodied in S. 2180 and submit to the Congress next January a proposal which would clearly identify the subject of arms control as fully within the jurisdiction of the Department of State, and give consideration for establishing an Office of Arms Control under the position of Under Secretary of State or officer of similar rank.

Senator **Hickenlooper**. Would you consider a dual reference there which might be all right? I favor the inclusion of the term "arms control," but something like this: "Should devote continuous study to the many aspects of arms control and disarmament."

Senator **Symington**. I have one that I would like too, if you will let me, having been playing with this thing, because in our state we have two papers that have been complaining every day on this subject. I have been following it. Would you say if I might modify your modification "of the many aspects of arms control leading to general disarmament"—if you want to do that, but I think you have to get the words "arms control" in there.

Senator **Hickenlooper**. That is right. I was thinking about instead of saying just "disarmament," the "arms control," I agree, comes first.

Senator **Symington**. You can say "arms control" and "disarmament."

The **Chairman**. And "eventual."

Senator **Symington**. Yes, something like that, "leading to eventual disarmament."

I would rather do it in a sequential way than put them both together, because you have to have arms control before you have disarmament. So if you say "arms control and disarmament," you do not quite express the thought.

The **Chairman**. I like that.

Senator **Hickenlooper**. I think it is a good idea.

SERVE NOTICE TO THE EXECUTIVE

The **Chairman**. The purpose this might serve is to give notice to the Executive that we are not impressed. There are seven of us here now.

Senator **Symington**. Mr. Chairman, may I leave my proxy with you?

The **Chairman**. This is merely a suggestion that I thought we might give notice that next Friday we are going to take some action on this.

The other members who are on the committee should be here.

Senator **Aiken**. How about instead of saying "submit to the Congress next January," "submit to the next session of Congress." We might not get it ready for the first week in February.

Senator **Williams**. If they submit it next January, we might not be ready anyway.

Senator **Aiken**. I do not want to crowd them with all their other work.

The **Chairman**. Just say the next session of the Congress, if you want.

Mr. **Marcy**. That is a year.

Senator **Aiken**. We are likely to want to act on it next March.

Senator **Hickenlooper**. The next session of the Congress will be next January. If you said next Congress, that would be over a year.

Senator **Aiken**. Yes, next session of Congress.

Senator **Lausche**. Bill, this matter is entirely too dangerous for us to try to hurry it through at this time.

The **Chairman**. I told them that the other day.

A VITAL BILL

Senator **Hickenlooper**. I merely want to say something here by way of maybe carping a little bit. But here is a vital bill. We all seem to be in reasonable agreement here on the ultimate thinking on this thing. But I frankly do not like periodically to come to meetings here with a few of us and try to work these things out and then at the last minute have a bunch of people come in and overturn what we do. I think we ought to do this, submit it for Friday, notify the people and see if we cannot get enough people here to have a discussion of this thing. Because four or five of us can come to at least a majority agreement as far as this is concerned and maybe a week later some group comes in and overturn what we have said.

The **Chairman**. We have experienced that already this year. I do not know how to get them here. We have had notice. We know we have these conferences on this other bill that are well along on the foreign aid.

Senator HICKENLOOPER. We have seven now.

The CHAIRMAN. And it is very difficult to get them present, as you know.

Senator LAUSCHE. I am in favor of this proposal there.

The CHAIRMAN. You are in favor of this?

Senator HICKENLOOPER. Yes, I am in favor of it, very definitely.

The CHAIRMAN. We are giving them notice, in effect, that we are not going to proceed on the bill as written.

Senator HICKENLOOPER. We also ought to be very careful that this not get out. I do not know how we can stop it. I noticed that in our conference, we all agreed that we would not give any information out to the press on what we did in the conference on details, and yet it is in the press.

The CHAIRMAN. Well, you have to tell the Executive—I think we have to tell him something.

Senator HICKENLOOPER. Yes, I think so.

IN THE HANDS OF UNREALISTIC PEOPLE

Senator LAUSCHE. Bill, may I say, I want to exert every reasonable effort compatible with a realistic approach, to reach disarmament and control. But I want to do it in a manner so that it will be consistent with the proper organization, having the chief, second echelon, third echelon. And I do not want to create a situation where a lot of unrealistic people, willing to give up now, will have the dominant word with the President. When I say that, I have in mind the great difficulty confronting the President, where firmness will be overcome by a lot of unrealistic people. That is what we are in danger of doing if we pass this bill as it has now been presented.

Senator HICKENLOOPER. Frank, I can go a little further and say in some aspects of our national posture, we are in the hands of unrealistic people. Just to make it clear, I am not talking about the President, either. I am talking about advisers and this, that and the other thing. I think it is a very dangerous situation, and it is ominous.

Senator LAUSCHE. This has a very high sounding application and it will be very appealing to a lot of people, but there are so many dangers in it.

Senator HICKENLOOPER. Oh, my goodness, I have had two or three letters Friday and this morning about supporting this disarmament bill. The people do not know what is in it, do not have any idea, but it is that word "disarmament." You have a lot of people for it.

I am for this modification.

Senator LAUSCHE. Anything further, Bill?

The CHAIRMAN. No, that is all we were to discuss this morning. I do not know whether we should work this language over. Do you think that is enough?

Senator HICKENLOOPER. I agree, I would favor saying "the many aspects of arms control leading to eventual disarmament," or something of that kind, and down below, we would have to say the same thing, clearly identify the subject of arms control and disarmament.

The **Chairman**. Well, we will let the staff, and you can think over it, and we will put out notice that on next Friday, we urge these people to be here. And see if we cannot come to some solution.

Senator **Hickenlooper**. I think this is a good solution, and get them here.

Mr. **Marcy**. To just say "along these lines" would be appropriate.

Senator **Hickenlooper**. I think so.

The **Chairman**. I think for the press, all I should say is we had a general discussion of the bill, we did not have a quorum and we expect to discuss it much more thoroughly next Friday and leave it at that. Just a general statement.

Senator **Hickenlooper**. That is good.

[The committee then discussed its scheduling of other matters.]

[At noon the executive session was concluded.]

MINUTES

TUESDAY, AUGUST 29, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met at 10:35 a.m., in room F-53, U.S. Capitol, in executive session.

Present: Chairman Fulbright, and Senators Morse, Gore, Lausche, Wiley, Aiken, Capehart, and Williams.

Senator Clair Engle of California appeared in support of S.J. Res. 126, Extending recognition to the International Exposition for Southern California in the year 1966. He was followed in this support by Senator Thomas H. Kuchel of California.

Senator Jacob K. Javits of New York then appeared in support of H.R. 7763, To provide for planning the participation of the United States in the New York World's Fair, to be held in New York City in 1964 and 1965.

Lincoln Gordon, nominated to be Ambassador to Brazil, appeared on his own behalf. With him was Wymberley Coerr, Deputy Assistant Secretary for Inter-American Affairs of the Department of State, to brief the committee, with Mr. Gordon, on the current situation in Brazil.

Charles F. Darlington then appeared on his nomination to be Ambassador to the Republic of Gabon.

At the conclusion of his appearance, Senator Humphrey, seconded by Senator Aiken, moved that the nomination of Mr. Darlington be approved for report. He also announced that Senator Morse previously had entered a motion to report favorably the nomination of Mr. Gordon as Ambassador to Brazil, and that he was seconding that. As acting chairman, Senator Humphrey ordered the committee polled on both nominations, and Mr. Marcy said that the committee had been polled.

For record of the proceedings, see the official transcript.

[The committee then adjourned at 1:05 p.m.]

MINUTES

WEDNESDAY, AUGUST 31, 1961

United States Senate,
Subcommittee on American Republics Affairs
of the Committee on Foreign Relations,
Washington, D.C.

The subcommittee met, in executive session, at 5 p.m., in room F-53, U.S. Capitol.

Present: Senator Morse (subcommittee chairman), and Senators Sparkman, Aiken, and Carlson. Senator Fulbright also attended.

The subcommittee held a discussion of the recent Punta del Este conference with Richard Goodwin, Assistant to the President on Latin American Affairs.

No record was kept or transcript taken at the meeting.

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY (MARK-UP) [1]

FRIDAY, SEPTEMBER 1, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10:45 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright and Senators Sparkman, Humphrey, Morse, Long, Gore, Lausche, Church, Dodd, Wiley, Hickenlooper, Aiken, Capehart, and Williams.

Also present: Mr. Marcy, Mr. Henderson, and Mr. St. Claire of the committee staff; and Dwight J. Pinion, Assistant Counsel, Office of the Legislative Counsel.

[The chairman announced the first order of business as the bill (S. 653), To provide for the presentation by the United States to the people of Mexico a monument commemorating the one hundred and fiftieth anniversary of the Independence of Mexico. On motion by Senator Aiken, seconded by Senator Hickenlooper, the bill was ordered reported on a unanimous voice vote.

The bill (S. 2423), To provide for the appointment of a Representative of the United States to the Organization for Economic Cooperation and Development was next in order. The bill was ordered reported on a voice vote without objection.

The chairman presented a list of nominations for U.S. Representatives and Alternate Representatives to the United Nations: Representatives, Adlai E. Stevenson, Representative Omar Burleson of Texas, Representative Marguerite Stitt Church of Illinois, Francis T. P. Plimpton, and Arthur H. Dean: Alternate Representatives, Charles W. Yost, Clifton R. Wharton, Philip M. Klutznick, Jonathan B. Bingham, and Mrs. Gladys A. Tillett. Senator Sparkman, seconded by Senator Humphrey, moved the nominations be reported. The motion carried unanimously on a voice vote.

The chairman then took up the resolution (S.J. Res. 126), Extending recognition to the International Exposition for Southern California in the year 1966 and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part. After discussion, and on motion by Senator Sparkman, seconded by Senator Wiley, the committee unaniınously voted to report the resolution as a clean measure (See S.J. Res. 132, of like title, reported on September 6, 1961).

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[1] See Appendix B, page 679.

The bill (H.R. 7763), To provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, was carried over without objection.]

NEED FOR A QUORUM

Senator SPARKMAN. That brings us to the mark-up of S. 2180.

Senator HICKENLOOPER. I am going to make a motion right now. We do not have to vote on it. I move that we come down here, a few of us, and we have done this a few times, and try to go through these preliminary things.

This is an important bill in my book. We either ought to consider it or not consider it. I just do not think it is fair to come down here and have four or five people express their own ideas, which is all right, and then have a majority in votes come in later and turn the thing over, change it, alter it, and so on.

I think we ought to try to get a representative group here.

Senator WILEY. Have we a quorum now?

Senator SPARKMAN. No, we have seven.

Senator MORSE. I think we should have a quorum.

Senator HICKENLOOPER. I do not want to delay this.

Senator SPARKMAN. If anybody insists upon it, we have to have it.

George, where is Hubert? He was talking with you up on the floor.

Senator AIKEN. Hubert, I thought, was on his way down.

Senator SPARKMAN. We have a quorum.

Senator CHURCH. It is not going to change your quorum if I step out for a telephone call?

Senator SPARKMAN. You are present. You are just simply in a telephone booth.

Senator HICKENLOOPER. This is an important bill.

Senator SPARKMAN. Suppose we start talking about S. 2180, the No. 1 item on our agenda. The committee on Monday resolved itself—there is a copy in front of each one of you, I believe—this is proposed, is that it?

Senator HICKENLOOPER. Proposed to have it up for consideration today, whether the committee wanted to do anything about it.

Senator SPARKMAN. Yes.

Is there a copy before each one? You are being given a copy.

The administration, certainly Mr. McCloy and his people, feel that it is very important that we take some action on the bill. They think it amounts to a great deal in their propaganda battle.

Senator WILEY. What about all of the amendments?

Senator SPARKMAN. There are a lot of amendments and we, of course, would have to consider all of the amendments that would be proposed.

A STRONGLY RECOMMENDED BILL

Senator MORSE. Mr. Chairman, does the administration recommend the bill?

Senator SPARKMAN. Yes, it is an administration bill.

Senator **Morse**. I move it be reported favorably.

Senator **Humphrey**. It is a strongly recommended bill.

Senator **Long**. Are we going to discuss amendments to it?

Senator **Morse**. You have to get a motion before the committee. I move it be reported favorably. It is a proper motion.

Senator **Sparkman**. It certainly is.

Senator **Lausche**. Have we looked through the bill at all?

Senator **Sparkman**. We will take it up for amendment.

Senator **Hickenlooper**. I question whether that motion is timely at the moment. I have no resistance to a motion on the question of the reporting of the bill. But we had a rather extensive discussion on this thing last Monday, and there is a serious question in the minds of at least most of those who were here on Monday as to the proper mechanics of this bill.

You see, there is a great deal of confusion in this bill. Sometimes this fellow reports to the Secretary of State and takes his direction; sometimes he reports to the President and takes his direction. He is made the Chief Adviser to the President.

We talked very frankly on Monday that we did not want another repetition of the Stassen episode where somebody goes off on frolics of his own and gets our foreign policy in a turmoil.

The only purpose of these amendments, some of which I think ought to be adopted, some of which may not be necessary, but the purpose of the amendments is to attempt to define responsibility, line of authority, and to define pretty clearly the idea of setting up an organization of high competence.

If we just set up another bureau, we are not going to do any good. If we cannot set up an organization that has competent personnel, that is competently staffed to study these broad-gauge, long-range questions and to get the economic studies done, the military studies, the social and economic impacts of disarmament and all those things on a workmanlike basis with high competence, and if we set up an organization here that can first run to the President and then run to the Secretary of State and then get its fingers in every other department of government without adequate control, I think there will be no purpose.

WITHIN THE STATE DEPARTMENT FRAMEWORK

Senator **Sparkman**. Bourke, is one of your main contentions that it ought to be within the framework of the Department of State?

Senator **Hickenlooper**. Basically, yes. That is the thing I think we ought to talk over, to see how it should properly be set up.

Senator **Sparkman**. I believe that represents, from what I have heard—I was not here Monday—from what I have heard it seems to me that that represents the majority thinking of the committee, and I wonder if we could not agree on proceeding on that basis.

Senator **Humphrey**. May I just have a word on that, Mr. Chairman, and I am not wedded to any particular view on it. Every one of the witnesses who testified before us, from two administrations, the former Secretary of Defense, Mr. [Thomas] Gates, the former Secretary of State, Mr. [Christian] Herter, former Ambassador to the United Nations, Mr. [Henry Cabot] Lodge, Mr. [James] Wadsworth, present administration officials, testified as to the desirability of this type of structure.

I think it can be worked out, frankly, within the framework of the State Department. One of the reasons that there was the feeling, one of the reasons for the so-called duality of responsibility is because the person who serves as the Director of this agency will have to be able to command the cooperation of the authorities in the Department of Defense and the Atomic Energy Commission on certain matters relating to research.

I believe we can overcome any real problem by the fact that this man would be appointed by the President with the advice and consent of the Senate, and, therefore, would have a relationship like another person with that type of confirmation, a relationship with the President that would command the respect of the other agencies of the Government.

But I do not think that we ought to presume for a minute that months of thinking has not gone into this structural organization. It has gone in on private groups, on public groups, the Bureau of the Budget of two administrations, and the Defense and Atomic Energy Commission, State Department officials of two administrations, and without dissent every one of them felt that this was the proper structure.

DIM PROSPECTS FOR DISARMAMENT

And having said that, let me say one other thing. Another point that has been brought up is the timeliness of this type of legislation.

I am sure that we all recognize that in the kind of a world in which we find ourselves, the prospects for disarmament are rather dim. Nevertheless, I have been of the opinion for a long time—and I am sure my colleagues have shared it—that when we engage in these discussions or negotiations, whether it is on an overall disarmament or whether it is a regional type of pattern or whether it is a limited type of arms control, we ought to be thoroughly prepared, and we ought not to be bringing in recruits at the last minute to do our negotiating and to do our researching.

What this amounts to is staffing this Government in a proper way to engage in the long pull.

As one of the memos that I received from Senator [Henry] Jackson pointed out, disarmament is a facet of, a part of, the total foreign policy of our country. I might say it is directly related to the national security of our country, and, therefore, the relationships of this Director of this agency to the State Department, to the Defense Department, to the Atomic Energy Commission, to the National Security Council are very important.

Senator Jackson proposed some language that I would like to call to your attention. If you have the memorandum from Senator Jackson, I believe it is in there, and I am sure that this memorandum has had the very careful study of Senator Jackson's subcommittee staff on National Policy Machinery [Committee on Government Operations].

Senator LAUSCHE. Will the Senator yield for just a brief statement?

Senator **Humphrey**. Yes.

QUESTIONS ON STRUCTURE

Senator **Lausche**. At one of the hearings that I attended the witnesses subscribed to this general objective, but they did not pass on the organizational set-up. They did not feel, at least one or two of them, that they could begin speaking on how it should be set up.

They felt that the Disarmament Agency should be established, and that is the only observation.

Senator **Humphrey**. Those were some of what we call the private witnesses.

Senator **Lausche**. That is right.

Senator **Humphrey**. I agree with that.

The language here on the bottom of the page of Senator Jackson's memo——

Mr. **Marcy**. You are reading from the State Department's comments?

Senator **Humphrey**. Yes. This is a memorandum concerning amendments proposed by Senator Jackson to S. 2180. I am not talking about the first amendment which would substitute a new statement of purpose. I think that is of less consequence here than the structure.

I am talking about:

> * * * the proposed section 23 might be transposed to section 2 on Purpose so that the section defining these relationships would read as follows.

This would now give you the structural organization.

> The Director shall serve as principal adviser to the President and the Secretary of State on disarmament matters, and in carrying out his duties under this Act shall, under the direction of the Secretary of State and on behalf of the President, have primary responsibility within the Government for disarmament matters.

It seems to me that this removes what you might call the direct line relationship, authority relationship, that the present bill has in it insofar as the Director being able to go directly to the President over the head of the Secretary of State. He shall be the principal adviser on disarmament matters to the President and the Secretary of State.

But it makes it quite clear that insofar as jurisdiction is concerned and supervision is concerned, policy coordination is concerned, he serves, as it says here, "under the direction of the Secretary of State."

Senator **Aiken**. That is in Jackson's amendment?

Senator **Humphrey**. Yes, George.

Senator **Aiken**. Mr. McCloy's interpretation of section 22 is that it provides that the Director shall be in charge of the new agency and he will be subject to the direction of both the President and the Secretary.

Senator **Sparkman**. He would strike 22.

Senator **Aiken**. Be subject to the direction of both of them.

Senator **Humphrey**. But the amendment that Senator Jackson proposes——

Senator **Sparkman**. It would be a new section, section 23.

Senator HUMPHREY. The proposed section 23 might be transposed, it says here, to section 2 on "Purpose," so that the section defining these relationships would read as follows.

A CONFLICT IN LANGUAGE

Senator LAUSCHE. How do you reconcile that with line 10 on page 2, the "Purpose" clause?

Senator HUMPHREY. The "Purpose" clause would have to be amended.

Senator LAUSCHE.

> The foreign relations and implementation of the U.S. disarmament policy in a manner which would promote national security requires a central organization charged by statute with primary responsibility for this field.

If this person has the primary responsibility, then the Secretary of State cannot have, and I would say that there is a conflict with the language in line 10 on page 2 with the language proposed in the Jackson amendment.

That is, the primary responsibility by way of line of command should be the Secretary of State, primarily the President, the Secretary of State and then this man.

Senator HUMPHREY. I do not think there is any real conflict here if you add these words that I have just read, Frank. The Jackson language would follow at the conclusion on line 17.

Senator LAUSCHE. What Jackson is proposing to change is page 7, lines 19 to 23.

Senator HUMPHREY. Yes.

Senator LAUSCHE. What he does, here it says "under the direction of the President and Secretary of State."

Jackson omits "under the direction of the President" and confines it to the Secretary of State, am I correct?

Senator HUMPHREY. Yes, sir. The Jackson language, as he wanted it, would be a substitute for page 7, lines 19 through 23.

Senator LAUSCHE. That is correct.

Senator HUMPHREY. Mr. McCloy recommends that it be put over to section 2 on "Purpose".

Senator LAUSCHE. If you take this as a substitute for page 7, then this language in here ought to be somewhat modified to indicate that the Secretary of State is the one under whom he is working.

Senator HUMPHREY. I think, if you took this language that we have here on the mimeographed sheet relating to the comments on Senator Jackson's proposal and put that language over on page 7 of the mark-up print, substituting it in lieu of the language of the bill, if you put that there, you would clarify or you would at least meet some of the objections that some of the Senators have expressed about the duality of responsibility.

THE DIRECTOR MUST HAVE CONTACT WITH MANY DEPARTMENTS

Senator LAUSCHE. Why do you have to put in here that he shall be the principal adviser to the President and the Secretary of State?

The normal operation is that he is under the Secretary of State, and being under the Secretary of State, he, through the Secretary of State, has a liaison with the President.

Senator **Humphrey**. The problem is, Frank, as those who have studied and worked on this stated it to me, is that when it comes to matters relating to the Atomic Energy Commission and when it comes to matters relating to the Defense Department, that you want to coordinate those matters with our foreign policy, to be sure.

But they are separate departments of the Government, and this Director must have contact with them in order to properly advise the President of the United States on total disarmament matters, because disarmament negotiations, while conducted by the State Department, the appointments of these negotiators are not made by the Secretary of State. They are made by the President.

Mr. Dean's appointment was made by the President; Mr. McCloy's appointment was made by the President. Other appointments that we have had in the past—what was the most recent negotiator we had, Mr. [Frederick M.] Eaton was appointed by the President; so that this new Director of this agency set up would be under the general supervision of the State Department so that he would not get out of bounds on policy, but he would also be able to advise the President directly on these matters, because these matters cut across foreign policy.

Senator **Lausche**. That is where I run into an impasse because we are creating a hybrid.

SUPPORT FOR DUALITY

Senator **Dodd**. Senator, may I make a point. I like the duality, and for a reason that I want to explain, if I may for a minute.

I have had two experiences which I cannot forget and both of which, I think, have some bearing on this. I remember some years ago when I was a young lawyer in the Department of Justice, it was suggested that the investigative agencies of this Government ought to be coordinated and put under one head, and this way it would be more economic and there would be less conflict and less duplication.

It seemed very sensible to me at the time, whether J. Edgar Hoover, or somebody else, the Narcotics Bureau, the Secret Service, the FBI all should be under one head. I thought that was a wonderful idea.

Bob Jackson was the Attorney General and he brought a group of us up to his office, after we had studied this thing. I remember how shocked I was when he said:

"Well, gentlemen, I have decided that I am not for this." I thought that was a terrible thing. As he explained his reasons, I became more convinced that he was absolutely right. He said:

"I know there is duplication and I know there is duality"—he did not use that word, but I am using it—"I know it would be more economic to have all of these agencies under one head. But one of the strengths of this Government is that we have this diffusion, and I do not think it would be a helpful thing in this country to have one man in charge of all investigative agencies. It is fraught with peril. We are paying a high price but it is better that way."

That is something I never forgot.

The second experience I had was, as you will remember, earlier in the year, the Department of Commerce, it was found, was about to issue an export license for the export of some machines to the Soviet Union, and as we dug more and more into that situation we found that the Department of Defense had filed its protest to the issuance of the license in that case.

But this never appeared anywhere in the record. And I personally went to see the President finally and told him this. He did not know it. This is actually why he held up the shipment of those machines and the shipment never took place.

The point is that in that second situation which I am describing, the regulations required the Secretary of Commerce to consult with the Department of Defense, some language of that kind anyway.

I do not know how much consultation took place, but I do know that the Department of Defense objected but they brushed them aside, and went on to issue or was about to issue the export license.

Now, this bothers me, Senator Humphrey. I would like to see something in here which would make certain that these different agencies in the Government really have an opportunity to have something to say about disarmament or weapons control.

Senator HUMPHREY. Yes, sir.

APPEAL TO THE PRESIDENT

Senator AIKEN. In the report, Tom, which they sent around to us yesterday, in their explanation they point out that an agency that thinks it is being chiseled in on too much may appeal directly to the President.

I cannot see how that is going to be of great help to the President because he sure has enough to do without handling those squabbles.

Senator DODD. But you see my point. I would like to see a lot of people consulted or with some responsibility.

Senator LAUSCHE. But, Tom, what I am afraid of is you are going to have another Stassen moving out there by himself, creating complications to the President and to the Secretary of State. That is the thing that I fear.

I want to set up an effective service of this problem.

Senator DODD. Well, I do, too.

COORDINATION AND CONSULTATION

Senator HUMPHREY. Tom, by the way, the point that you raise here about coordination and consultation we raised in the hearings, and some substitute language was presented. I asked the people to get us some substitute language on this cooperation and coordination activity, because I thought that the bill, as it came down and as it was introduced, was too nebulous, too indefinite.

And here on page 11—I think there are some of these copies around, this is the memorandum on this bill.

Mr. MARCY. I think they all have copies of this.

Senator HUMPHREY. On page 11, a rewrite of section 37 of the bill appears:

> The Director in consultation with the Secretary of Defense, the Atomic Energy Commission, the Administrator of National Aeronautics and Space Administration

> and other affected government agencies shall develop suitable procedures to assure cooperation, consultation, coordination and continued exchange of information.

And also:

> These procedures shall be subject to the approval of the President. The Director shall keep each of such agencies fully informed,

and so forth.

I said I wanted them to spell it out. I did not want this ambiguity where it just indicates that the Director may do this but that he shall; that it is his responsibility.

BE SURE THE DIRECTOR IS HEARD BY THE PRESIDENT

Senator HICKENLOOPER. Why do you not consider something like this. We have had this problem heretofore in the Atomic Energy Commission set-up, where we were determined at the outset to make the Atomic Energy Commission a civilian-controlled commission, which I think it should be and which we all thought it should be.

But we realized that there was a tremendous, and in certain instances an overriding, interest of the military in the development of atomic energy, at least in the first years and even now.

So we set up in the first act, the committee did, the military liaison committee. That military liaison committee is charged with the duty of keeping track of what the Commission is doing vis-a-vis the defense of this country, the military defense, and it gives the military liaison committee the specific right, when it believes that what the Commission is doing or refraining from doing is inimical to the national defense or the national security, to appeal to the President, to make a formal appeal to the President based on what it believes to be a proposed action or inaction to be inimical to the security of this country.

If you do not have something like that, then the head of an agency which is only required to consult, he can consult all he wants to and objections he will file in Drawer 3 or throw in the fireplace and go out and do as he pleases, unless the objector of an important agency has a defined right of carrying his objection, if he feels that it is inimical to the national security or the national interest, unless that particular agency or group has a right to carry that appeal and be sure that it is heard by the President.

Senator HUMPHREY. That is provided for in this substitute language, Bourke.

Senator HICKENLOOPER. I am not so certain it is.

Senator HUMPHREY. It says:

"All differences of opinion between the Director and such agencies which cannot be resolved through consultation"—it says "may be referred," and you can say "shall be referred".

Senator HICKENLOOPER. Who refers it?

Senator HUMPHREY. "For decision by the Director or by such agency."

Senator DODD. I think it ought to be "shall," "must," or something like that.

Senator HUMPHREY. I think that we attempted to cover that point because, Bourke, you or someone raised that in the hearings.

Senator **Hickenlooper**. I raised it before and I raised it here last Monday for consideration.

AN AUTONOMOUS AGENCY OR PART OF THE STATE DEPARTMENT

Senator **Sparkman**. Let me offer just this suggestion. I may say that with reference to this duality of organization, if we can call it that, I have been inclined toward it. In other words, I have felt that it was a good arrangement. It is true that this is a part of the foreign policy of the United States, and, yet, it is not a part of the ordinary operations of the Department of State, and I felt that being put off as a semi-autonomous agency and yet put under the supervision of the Secretary of State gave it a better operating opportunity.

However, if there is strong feeling that it ought to be a part of the Department of State, I see no reason why it could not operate that way, and I know there are a lot of Members of Congress who feel that everything that operates in the field of foreign policy ought to be an integral part of the State Department.

Now, this thought occurs to me. It seems to me that the first thing for us to decide is whether or not we want it to be an autonomous agency or to be an integral part of the State Department itself.

If we reach that decision, then it seems to me we can proceed to write the bill accordingly, and I do not see how we are going to be able to write it until we decide that question for ourselves.

Senator **Dodd**. What was your reason for believing that it should be separate?

Senator **Sparkman**. I just said I felt that it was a good arrangement because, while it is a part of the policy, the foreign policy of the United States, it is not within the field of the ordinary day-by-day operations, and therefore would be good as a separate agency.

Senator **Aiken**. Senator Jackson's recommendation here is that it be in harmony with, and in support of, the national security policies of the United States.

Senator **Sparkman**. Yes.

Senator **Aiken**. Is it going to be tied in with our national security policies or with what policies?

Senator **Humphrey**. The overall policies.

Senator **Aiken**. If it is tied in with the national security policies too closely—and I notice this statement only mentions disarmament two or three times——

Senator **Humphrey**. Foreign policy is a part of national security policy.

Senator **Hickenlooper**. Let me tell you what is happening.

Senator **Aiken**. I get the idea there is something in here that perhaps we should be interested in, and maybe I do not quite understand.

PROTESTS AGAINST AMENDING THE BILL

Senator **Hickenlooper**. Let me tell you what is happening, and that I would like to protect against. I filed a bunch of amendments here, some of which I think are good and some of which may be not necessary at all. But suddenly yesterday all hell broke loose, because I got a stack of telegrams this high from people—an organization very definitely—with the same general verbiage in it. I mean it is one of these propaganda mass telegrams:

> You must not touch this bill, no amendments on it. Pass it just as it is. It will weaken disarmament; it will do this, that and the other thing.

Senator Humphrey. That is not a new experience.

Senator Sparkman. I do not pay any attention to it.

Senator Lausche. I resent it because this was stimulated by the central office.

Senator Hickenlooper. Without any doubt and because of some other telephone calls which I have gotten along the same line from the other end of the avenue yesterday, the word has gone out down here: "Get on Hickenlooper because he has a lot of amendments that will cut this thing down."

I got calls from my State. I mean they are all upset.

Senator Gore. What do you mean?

[Discussion off the record.]

Senator Sparkman. We can recognize these propaganda telegrams and communications that come in. I pay no attention to them.

Senator Gore?

AVOID JEALOUSY AND INTERNAL COMPETITION

Senator Gore. I want to just take a minute to indicate why I thought we ought to bring this within the established organization. The members of this committee will recall the conflict between Mr. Stassen and former Secretary Dulles when Mr. Stassen headed the disarmament discussions. I think if we bring this clearly and unmistakably within the competency and jurisdiction of the Secretary of State, this man can still be a representative of the President.

Anyone who speaks on foreign policy in the executive branch is a representative of the President. But I do not think we ought to create a situation which is calculated to generate jealousy and competition between the Secretary of State and someone heading a disarmament agency.

Therefore, it is my feeling that we should make it clear that this man serves under the direction of the President and the Secretary of State. This is my view.

Senator Church. Mr. Chairman, may I speak just briefly to this?

Senator Sparkman. Senator Church?

Senator Church. Very seldom do I find myself in disagreement with Albert Gore on any matter.

Senator Gore. I should have talked to you before we came down here.

OTHER SEMI-AUTONOMOUS AGENCIES

Senator Church. It seems to me that the language that Senator Jackson proposes does make it perfectly clear that this Director would operate under the direction of the Secretary of State, so that I am not fearful of a conflict.

Senator Gore. This language is all right with me.

Senator **Church**. That, however, I think, makes it clear. Perhaps we are not in disagreement, Albert. I just want to say this:

That disarmament is a part of the foreign policy of this country, and perhaps, if we could ever achieve it, it is the most important endeavor that Government and society can pursue. We have the ICA. That is a part of our foreign policy. That has a semi-autonomous organizational set-up under the general direction of the Secretary of State.

We have the USIS.[2] That affects foreign policy. Yet, it has a semi-autonomous organizational set-up under the general direction of the Secretary of State.

Now, why should we downgrade the question of disarmament below the status that we have already given to such agencies as the ICA and USIS?

I think that, if anything, we ought to elevate it, recognizing that this country and perhaps civilization itself can well depend upon it.

Why should we give the least urgency to the thing that is most urgent?

And any semi-autonomous integrity we may have given these other phases of American foreign policy, I think we ought to be willing to give to something as important as disarmament.

So for that reason alone, although I do not think it is terribly significant one way or another, I would urge that we give as much autonomy to disarmament agencies as we give to the USIS, making sure that the Director operates under the general control and direction of the Secretary of State.

Senator **Humphrey**. That is what the Jackson amendment does. It removes the one real conflict of view here.

Senator **Church**. Yes.

Senator **Humphrey**. The administration says "under the direction of the President and the Secretary of State."

This is what causes the trouble.

The Jackson proposal says that "in carrying out his duties under this Act shall, under the direction of the Secretary of State," and I think that removes this conflict of responsibility and authority.

I think Senator Sparkman is right.

That what we ought to do is to settle this point. The disarmament agency would be a semi-autonomous agency within the Department of State under the general direction of the Secretary of State, and just as Mr. Murrow and whoever is the head of ICA has an opportunity to go to the President, so would this man have an opportunity. But he is under the general policy direction and supervision of the Secretary of State.

I would buy that. I do not think, from my own point of view—I kind of agree with Tom, I think it would be better the other way, but I believe that this would eliminate some of the opposition of certain members who feel strongly about the lines of authority in this bill.

Senator **Gore**. This is satisfactory to me, Mr. Chairman.

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[2] United States Information Service (term used abroad for United States Information Agency offices).

AMERICAN SUPPORT FOR DISARMAMENT

Senator **Hickenlooper**. So far as the question of disarmament is concerned, the United States has traditionally gone farther down the disarmament line than any other major or big country in the world.

We started back with the disarmament conferences following World War I, when we sank battleships and the rest of them tore up blueprints. We followed that up. We did not increase our armaments. We were caught some time prior to World War I and World War II, in both cases, with our armaments down considerably, practically nil in many categories.

We went in with the Baruch plan after World War II. We make the most fantastic offer any nation has made in the history of the world where we had an exclusive and controlling weapon, atomic bombs. No other country had them; no other country could make them at that time.

We could impress our will on any, on every, country in the world, if we had wanted to. We offered to give every bit of atomic energy, all atomic materials, everything, to an international organization and get out of the atomic business and turn it over to a supervised international agency. The Russians would not buy it.

I mean we have gone down this disarmament road so far as our record is concerned more than any other country ever has gone, so far as I know.

And so I do not think we need to apologize for our efforts. And, certainly, I am not resisting in any way the setting up of a sound disarmament agency. But bureaucrats being human beings, reach for all the power they can get and just a little bit more, always.

You set up an autonomous agency here that can cut across Departmental lines and order people around and that is the way they could do it under this bill as it is set up, virtually they could order people around. The President does not have time to monkey with this too much, I mean the details of it. He is in general charge.

But unless it is pretty clearly defined as to what this crowd can do and what they cannot do, you will find them going around talking to foreign countries and making deals and this, that and the other thing that will get us in some very difficult positions.

Senator **Humphrey**. I think that is carefully provided for, and if it is not, we can tie it down. I think if we can settle the central point first, then we can move on.

PRECEDENTS FOR THE JACKSON AMENDMENT

Senator **Lausche**. May I ask the staff: Do we have precedent for this type of holding of office? The other day we discussed this subject, and we have two Under Secretaries of State—am I correct in the use of the term, "Under Secretary?"

Mr. **Marcy**. That is correct.

Senator **Lausche**. And there were two because they had especially important positions, and there was some hint made that we could make him an Under Secretary of State, making him a third one.

Do we have any precedent for this type of holding in the line of command?

Senator HUMPHREY. You mean along the line of the Jackson amendment?

Senator LAUSCHE. Yes, the Jackson amendment.

Senator HICKENLOOPER. We have an Under Secretary of State for Economic Affairs.

Senator LAUSCHE. That is right.

Senator HICKENLOOPER. That was created for [Douglas] Dillon a few years ago, and we have an Under Secretary of State who apparently is the top Under Secretary of State, but he is a general. His duties are pretty broad and general. Then we have the Under Secretary of State for Economic Affairs.

We discussed the point just for the purpose of discussion the other day, whether or not we should create an Under Secretary of State to head the disarmament business.

CONGRESS CONSTITUTIONAL RESPONSIBILITY

Senator DODD. I think it is germane—if not, I will pass it by—I want to raise this point. I am not too clear in my own mind about it. It seems to me that for the first time, so far as I know, we are entering into a field where the Congress has a Constitutional responsibility.

One of the few direct references to legislative responsibility or congressional responsibility is in section 8. It has the power to lay and collect taxes, duties, excises, to pay the debts and provide for the common defense.

It has always seemed to me that this gives the Congress a direct responsibility in matters having to do with armament and disarmament.

In many places we do not have any such responsibility. It is the executive that has it or the judiciary. I wonder if anybody has thought about that, and if there is any way we might cover it in this legislation.

I have not thought it out, but it occurred to me last night in thinking this thing over, and I do not know. I do not know what I mean even yet.

Senator HUMPHREY. That is one of the reasons that we seek a statute relating to this structure and the responsibilities under this particular structure.

But what President Eisenhower did with Mr. Stassen was to appoint him by Executive Order, and what he did in terms of Mr. Farley and others was to appoint them by Executive Order. What we are seeking to do here is to bring the Congress into this very important matter of national security and foreign policy because it does relate, as you so properly state, to our security, to our defense, to our total overall policy.

I believe it is important, and, again, I do not have any argument with those who say: "Look, we ought to make sure of what we are doing. We ought to set down these guidelines and clarify the responsibility and the duties here," and that is why we have got a bill before us.

It goes right back to this particular section under congressional powers.

CONGRESSIONAL SUPERVISION

Senator **Dodd**. But do we have any continuing Constitutional responsibility after the passage of the statute, or is it required under this section of the Constitution that we continue to have something to do with such?

Senator **Humphrey**. Insofar as the Director is concerned, he must be confirmed under this legislation by the advice and consent of the Senate. There are committees in the Congress. We have three separate committees above all that have a vital responsibility here: The Joint Committee on Atomic Energy, Armed Services and the Senate Foreign Relations, and the nature of this disarmament problem is clarified right off the bat by the fact of those three separate committees and that is why this Director has to have some guidelines by Congress.

If he is just over in the State Department, just by the Secretary of State appointing him or the President even saying, "Well, now, Mr. McCloy, you just take over for me," it is very proper for the Department of Defense to say, and particularly for the Armed Services Committee of the Congress to say, "Well, now, look, that is fine, Mr. President, but we have something to say about this."

So what we are doing here by legislative proposal is to clarify these lines of authority, to delegate certain responsibilities to the Director of this agency, and I feel that we ought to—first of all, I think this is necessary. If we are going to be discussing this matter, if there is any world left at all, unless in the next few months we destroy much of what we have in a war, why, we are going to have to discuss this whole question of arms control and disarmament.

COMPARISON TO PEACE CORPS

Senator **Lausche**. You have not answered my question, Mr. Marcy. Do we have precedent for this type of language anywhere in the offices that are now existent?

Mr. **Marcy**. I do not believe so. I think the nearest to this language is that which appears on page 23 of your mark-up print where there is an amendment intended to be proposed by Senator Hickenlooper, and it provides there, if you look right at the bottom of the page, it says "under the direction of the President, the Secertary of State shall." This is the language which the committee inserted with respect to the Peace Corps, and it is the same as that which exists in the Mutual Security Act with respect to the mutual security program.

The language continues on page 24 with an explanation of its source and the executive branch comment on that.

Senator **Lausche**. But that means that existing law has no such provisions anywhere. This creates some sort of a new type——

Senator **Sparkman**. You said the Peace Corps?

Mr. **Marcy**. That is right, this language to which I refer, and the Mutual Security Act contains the language which appears at the bottom of page 23.

But this is not the proposal in the pending disarmament bill. This is a proposed amendment.

Senator **Sparkman**. Yes.

Senator **Lausche**. But this is closer to what we have, because the President, by the very fact that he is President, is the principal and the Secretary of State is an alter ego. So this declaration on page 23 is nothing more than a declaration of fact. The President is the Chief; the Secretary of State is his alter ego or his other arm.

But here we are cutting across lines on the Secretary of State in this language:

> The Director shall therefore serve as the principal adviser to the President.

Do we have any such language anywhere with reference to subordinates of a Cabinet member?

Mr. **Marcy**. Not that I know of unless it is in the Atomic Energy Act.

WHAT THE PRESIDENT WANTS

Senator **Lausche**. Then I would like to know: What does this do? What do we contemplate doing by this? Nowhere is there such language that a subordinate of a Cabinet member shall serve as the principal adviser to the President. It may be all right, but I frankly say to you that I do not know what you contemplate doing by this.

Senator **Humphrey**. But, Senator, the President does not even need to go to a Cabinet officer for advice. He can call in his next door neighbor.

What we are saying here by this particular act, I mean you are talking now about the language in the bill, the language on page 7.

Senator **Lausche**. I am talking about the language in the proposed Jackson amendment.

Senator **Humphrey**. The proposed Jackson amendment says:

> The Director shall serve as the principal adviser to the President and the Secretary of State on disarmament matters.

Senator **Long**. It seems to me that we ought to try—I would like to know what the President thinks about it myself.

Senator **Humphrey**. This is what he wants.

Senator **Long**. The reason I asked the question is that it occurs to me that he could look at it in one of two ways. Either he might feel that he would like to have a limited number of people to consult with, or he might want more people to consult with. Now, I do not know how the President expects to coordinate all these different things he has under him now, but that is his job, and if he thinks that he wants an independent agency, and this fellow is designated as his principal adviser, why, fine, that is all right with me.

I have noticed that in dealing with armed services matters, from what I have seen of it, every time it comes down to armed services, he wants to talk to McNamara, the Secretary of Defense, the Secretary of the Army or the Secretary of the Air Force. So he wants the Secretary of Defense to be conversant with all of the problems of all three services.

Now, if he wants to have a particular man designated as his adviser on disarmament, that is all right with me, if he wants it that way.

Senator **Sparkman**. As a matter of fact, Mr. McCloy is now serving as adviser to the President on disarmament matters. So far as I know, he is not set up under any act of Congress. He is simply appointed by the President. The President is actually working under this kind of an arrangement right now. To me, it seems absolutely logical that if we have an agency on disarmament, if the President considers it to be of primary importance that he does, he would want the Director of that agency to be his principal adviser on disarmament; in other words, to report to him directly instead of reporting to the Secretary of State.

Senator LONG. If he does not like it that way, he can send us a reorganization plan and change it.

Senator SPARKMAN. Any time.

A SEPARATE CABINET MEMBER ON DISARMAMENT

Senator LAUSCHE. John, that is where I run into trouble, when he can step over the Secretary of State and say:

"I disregard you; I want him in."

Senator SPARKMAN. No. The next sentence ties it in with the Secretary of State.

Senator LAUSCHE. If you suggest setting up a separate Cabinet member on disarmament, I think it would be better than this crossing of lines.

Senator HUMPHREY. Frank, you asked a question here a while ago.

Senator SPARKMAN. Before you get away from that, Hubert, may I answer Frank, as I started to a minute ago. The second sentence there says:

> Under the direction of the President and the Secretary of State the Director shall have primary responsibility within the government for disarmament matters.

That clearly ties it into the Secretary of State. And I do not think there is anything out of the way with this. Maybe my conception of the office of Secretary of State is not correct. But I think the relationship between the Secretary of State and the President of the United States as being one entirely different from that of any other Cabinet member.

Senator LONG. To a considerable degree, this President is his own Secretary of State.

Senator SPARKMAN. That is all right. Of course, under the Constitution the President handles international relations, and the Secretary of State operates as his agent to do that work, his alter ego, and I think it is true to a much greater extent in international relations than it is in the handling of any other part of the nation's affairs. Therefore, to me this makes sense.

COMPARISON TO JOINT CHIEFS OF STAFF

Senator HUMPHREY. Frank, one other point here that you asked about, is there any precedent for this. Mr. McCloy points out or the report of the Government points out on page 7 of our mark-up print the following:

> It is not novel for a statute to establish a relationship of principal adviser to the President on a particular subject. A statute establishes the Joint Chiefs of Staff as the principal military advisers to the President, the National Security Council and the Secretary of State.

Then they go on to explain what the relationship is here between the Director, the Secretary of State and the President. In other words, when there is a meeting at the White House, as there was yesterday, the President had in the Secretary of State and the Secretary of Defense, but also right alongside was General Lemnitzer, who is the Chairman of the Joint Chiefs. Albert, do not say anything.

Senator GORE. He also invited in the senior Senator from Minnesota.

Senator HUMPHREY. And the junior Senator from Tennessee. But may I say that his advisers, the adviser to the President on some military matters was not only the Secretary of Defense by statute, but also the Chairman of the Joint Chiefs of Staff. So this is not novel.

A MONGREL OFFICE

Senator LAUSCHE. Who prepared this memorandum?

Senator HUMPHREY. That is the Jackson memorandum, and the other one is the comments on the Jackson memorandum.

Senator LAUSCHE. Does the Jackson amendment contain this "Purpose" clause?

I would like to discuss that and just throw out some thoughts on it.

Senator HUMPHREY. Could we stay with what Senator Sparkman asked, the relationships here between the Secretary of State, the President and this Director.

Senator LAUSCHE. I will give you my view. I am in favor of creating this as an operating agency implemented with full personnel, subject to the direction of the Secretary of State.

Senator HUMPHREY. That is what the Jackson amendment does.

Senator LAUSCHE. It creates a mongrel office. I cannot understand what it does.

Senator HUMPHREY. The Jackson amendment makes it quite clear. It says that the Director shall serve as the principal adviser to the President and the Secretary of State on disarmament matters, "and in carrying out his duties under this Act shall, under the direction of the Secretary of State".

Senator LAUSCHE. "And on behalf of the President."

Senator HUMPHREY. You could knock that part out.

Senator GORE. All of it is on behalf of the President.

Senator HUMPHREY. "Have primary responsibility within the government for disarmament matters."

Senator GORE. Frank, I agree with you, but this fixes it all right.

Senator HICKENLOOPER. It is a quarter to one and there are only six people.

Senator HUMPHREY. I want to move that that amendment by Senator Jackson be substituted for the language on page 7 of the mark-up known as section 22.

Senator HICKENLOOPER. Hubert, because of past experience on this committee, when we act with a minority of the committee present, and not that I am necessarily out of tune, I am not out of tune with the general purposes, but we do not have a quorum here at this time.

Senator **Sparkman**. And it is time to eat.

Senator **Hickenlooper**. I think when we start adopting amendments, we ought to really be adopting amendments where at least a majority of the committee is either present or has completely discussed these things.

Senator **Humphrey**. We have some proxies.

Senator **Sparkman**. I would agree with the Senator and I think it is about time to quit for lunch. I wonder, though, if I might ask this question of the staff.

Senator **Hickenlooper**. I want to get a good bill here if we can get one, and I want one that we can all be reasonably satisfied with.

CLARIFICATION OF THE RELATIONSHIP

Senator **Sparkman**. Let me ask Carl Marcy this question. Suppose we start off with the adoption—and I am just saying this as a supposition—suppose we should start off with the adoption of the Jackson amendment. That is going to require a good many changes in the bill, is it not?

Are they technical?

Mr. **Marcy**. Mr. Chairman——

Senator **Sparkman**. Do they follow as a matter of course, or what?

Mr. **Marcy**. It raises a number of questions later on as to the degree of State Department responsibility for administrative provisions under the bill.

Just in a general way, without going into specifics, there is language in the bill here which authorizes the Director of the agency under certain conditions to send individuals abroad. Now, if you adopt the Jackson theory—and, that is, that this is to be an agency under the Department of State or within the Department of State—then there are a number of changes that would need to be made later on.

You could adopt the Jackson theory, only with respect to this language, and leave the rest of the agency pretty independent.

Senator **Sparkman**. I started to ask: Does the Jackson amendment have the effect of putting it wholly within the Department of State?

Senator **Humphrey**. It puts it under the general jurisdiction.

Senator **Sparkman**. Yes.

Senator **Humphrey**. But you could still do as you do in other agencies. For example, the Secretary of HEW, you have the United States Public Health Service with the Surgeon General that has wide independent authority.

He is still under the general supervision of the Secretary.

Senator **Sparkman**. That was my thought: That the Jackson amendment did not put it in what I think of as the Department of State. But it clarifies the relationship.

Mr. **Marcy**. Yes. For example, on page 41 in your mark-up print: "Appropriations made to the Director for the purposes of this Act and transfers," and so on, "shall be available to him."

Does the Jackson amendment mean that the appropriations should be made to the Secretary of State or to the Director of the agency?

And then, as you go on down on page 41:

> It is the Director of the agency who has the funds available for the rent of building, administrative, purchase of automobiles, entertainment, expenditures,

and so forth, and it goes on for several pages.

Senator **SPARKMAN**. It seems to me that the decision of one question, though, could pretty well decide all of those.

AN ACROSS-THE-BOARD REORGANIZATION ACT

Senator **HUMPHREY**. I think that all of that could be decided one way or another. Take, for example, where the Director has the power under this bill or is authorized to send certain persons abroad. That could be with the consent of or with the concurrence of the Secretary of State, you see.

Senator **HICKENLOOPER**. So far as I am concerned, I would not even shove it down that far on those particular details.

Senator **SPARKMAN**. It ought not to be referred to the Secretary of State.

Senator **HICKENLOOPER**. If you are going to send people abroad to talk about treaties, which is in this bill, that is what they can talk about under this.

Senator **HUMPHREY**. But then it must be under the direction of the Secretary of State.

Senator **HICKENLOOPER**. This bill makes it pretty loose.

Senator **HUMPHREY**. It makes that quite clear.

Senator **HICKENLOOPER**. I do not think so.

Mr. **MARCY**. Another example, page 39:

> The President may transfer to the Director any functions of any government agency which relate primarily to disarmament.

Now, here again, is the transfer to be to the Director of the agency or is it to be a transfer to the Secretary of State?

That kind of question is a little more important than can be handled, I think, by any staff redraft.

Senator **HICKENLOOPER**. You are setting up an across-the-board reorganization act by statute that says what you can do.

Senator **HUMPHREY**. May I just say, Mr. Chairman, in reference to Bourke's argument about the people abroad, under section 34 of the bill, as it was sent to us, it says:

> Under the direction of the Secretary of State, the Director may consult and communicate with or direct consultation and communication with representatives of other nations,

and so forth,

> or communicate in the name of the Secretary with diplomatic representatives of the United States.

But that part was nailed very carefully that it must be under the direction and supervision of the Secretary.

THE PRIVATE DOMAIN OF THE AGENCY

Senator **Sparkman**. Now, let me ask another question. Suppose we just decided the abstract question that we wanted to make this an integral part of the Department of State.

Senator **Wiley**. What is that?

Senator **Sparkman**. Suppose we decided to make this an integral part of the Department of State. How much redrafting would that require?

In other words, does it tear up the bill?

Mr. **Marcy**. I believe, Mr. Chairman, it would require a pretty substantial redrafting.

Senator **Hickenlooper**. I think it would, because manifestly this bill has been set up as a private plea for the private domain of this agency, and they want a minimum of interference or anything else from anybody else.

Senator **Sparkman**. We might ask the Legislative Counsel.

Mr. **Pinion**. I think, if we were drafting a bill initially to do what you have in mind, Senator, we probably would give the authority to the Secretary of State and then set up an office and say that he could use this office in carrying out those functions. That would be the normal way we would approach it.

Senator **Wiley**. What do you mean by "those functions?"

Mr. **Pinion**. The functions given in the bill to the agency.

Senator **Humphrey**. Research functions, negotiation functions?

Mr. **Marcy**. Engaging in specialized research. They are all listed on page 14. It shows pretty much what the specific kinds of things are that this agency would do either within the Department of State, completely without the Department of State, or some kind of duality.

Now, I think maybe just adopting the Jackson amendment does provide for this kind of a dual arrangement.

Senator **Humphrey**. But it provides for it under the supervision of only one person: namely, the Secretary of State. There is not any doubt under the Jackson amendment who has the overall supervision. You cut out the direct line contact to the President under the Jackson amendment.

It seems to me, once you have done that, you have established an autonomous body within the Department of State, so that you can refer to the Director and to the agency for the normal administrative functions.

We have done this before. We have this in the Office of Education. We have this in the United States Public Health Service. We have done this under other agencies of government; for example, the Rural Electrification Administration is in the Department of Agriculture under the basic supervision of the Secretary of Agriculture.

But the legislation relates to the REA and to the REA Administrator.

Senator **Sparkman**. Why do we not adjourn until 2:30, and let us do our best to have a quorum.

ADVISORY COMMITTEE NOMINATIONS RATIFIED BY SENATE

Senator **Lausche**. I do not know that I will be here. I want to leave this thought: That the advisory committee that will give advice to this disarmament man, in my opinion, ought to be appointed subject to the approval and the consent of the Senate. That is, the bill contains a provision creating an advisory committee.

Senator **Humphrey**. Yes.

Senator **Lausche**. And I think we ought to have something to say on the members of that advisory committee.

Senator **Sparkman**. All right.

Shall we adjourn until 2:30?

Senator **Humphrey**. Would it be possible in case we run into the problem of a quorum, these are busy days, to set up a temporary subcommittee of 3 or 5 and sit down with these basic points of view that are pretty accurately represented here, on the subcommittee?

Senator **Sparkman**. I would not want to take the responsibility for that.

Senator **Humphrey**. Let us see if we can get a quorum.

Senator **Hickenlooper**. I will be here this afternoon. I doubt you can get a quorum this afternoon.

WE CANNOT DELEGATE PRIMARY RESPONSIBILITY

Senator **Wiley**. Just a minute. I want to ask Senator Humphrey a question. At his request I put my name on this bill. I assume from what I have heard—and I want to see whether I am clear in my understanding—that the purpose of this bill was to create an agency that would be so well equipped that it could advise the President, the Secretary of State, not only in relation to the particular situation as to countries, but as to personnel, when it comes to a question whether it is advisable to talk on this purpose that the bill is written for. In other words, right now, we must agree that there is not opportunity to talk about disarmament.

But you could get people so well versed, educated, in relation to all the factors, understanding the character—for instance, none of us would trust Khrushchev. If he agreed to some disarmament, we could not afford to take it unless there was some mutual advantage to an agreement, or something of that kind.

But now I noticed here that the bill itself provided:

> Under the direction of the President and the Secretary of State, the Director shall have primary responsibility within the government for disarmament matters.

Now, I agree with the gentleman over here that we cannot delegate primary responsibility. That is the function of the Congress and the President when it comes to the matter of adjusting fundamental matters like treaties and so forth and so on. So I am a little bit confused.

And if you can get together with these people to line this thing up so that you will have an agency that is ready to not do the job, but to give the advice so that the job can be done by the people that have the authority——

Senator **Humphrey**. That is the purpose of it.

Senator **Sparkman**. I think the Senator is right, and I think that can be cured.

Senator LAUSCHE. That is what it is supposed to be, I think, but you have got to make sure that we do that.

Senator SPARKMAN. And in the right way.

Senator LAUSCHE. Instead of setting them up with sovereign powers.

Senator SPARKMAN. We stand in recess until 2:30.

[Whereupon, at 12:55 p.m., the hearing was adjourned, to reconvene at 2:30 p.m., the same day.]

AFTERNOON SESSION

[Senators Fulbright, Sparkman, Humphrey, Gore, Church, Wiley and Aiken, being all present.]

Senator HUMPHREY. I would like to modify that proposal so that it would read:

> The Director shall serve as principal adviser to the President and Secretary of State in disarmament matters and in carrying out his duties under this Act shall, under the direction of the Secretary of State, have primary responsibility within the Government for disarmament matters.

Senator WILEY. What does that mean? Tell me, so I know just what it means. Are we delegating to this individual the functions that belong to us as legislators, and belong to the President? That is what I want to know. I am sorry that Symington isn't here, and I am sorry that some of the others—we haven't a quorum. But I want to get a bill out. I do not want to get one that we get on the floor of the Senate and we will be discussing it for weeks and days. We must know what we are getting out. I want to know just what we are shooting at.

Senator HUMPHREY. Well, this is quite direct. What it says, Senator, is that the Director of this agency—in fact, we are really talking about the agency—shall have primary responsibility for matters affecting disarmament. It shall be the coordinating agency. It shall conduct the research. It shall prepare for the negotiations under the direction of the Secretary of State. In other words, just as you center in an Assistant Secretary for Research and Development in the Air Force, research and development activities, you center in this director the responsibilities for those items that relate to disarmament, because somebody has to pull this together, somebody has to be able to talk to the AEC and the Department of Defense and NASA and other agencies, all involved. And so you do by legislation now what has been attempted by executive delegation so far.

Right now Mr. McCloy is doing this. Mr. McCloy has with him Mr. Fisher, and he has with him Mr. Dean and others. He has drawn together a staff, but it is under strictly Executive Order.

These men have no statutory base. The purpose here is to lay down some guidelines, some sense of direction, some responsibilities by statute, and repose in the director of this particular agency a particular responsibility. It does not give him the responsibility for Atomic Energy or for Defense or for the Department of Commerce. It gives him responsibility for coordinating the activities of the many agencies of this Government that relate to anything concerning disarmament.

The CHAIRMAN. But under——

Senator **Humphrey**. But under the direction of the Secretary of State.

ARMS CONTROL AND DISARMAMENT

The **Chairman**. There is one other observation I thought was made rather strongly the other day. They felt the words "arms control" are much more realistic than "disarmament."

Senator **Humphrey**. The only reason I would object to that is simply that arms control is sort of a way of defining sex. You know—this medical terminology. I think it is a whole lot better to get right down to what is the common pollens, which has some particular psychological connotation. Arms control——

Senator **Church**. And I hope with the ultimate objective.

Senator **Humphrey**. Yes. Arms control is a negative approach to it. We went over this thing a number of times in this American Assembling Group, all the people they bring in.

The **Chairman**. Whenever Khrushchev says, "I am for total disarmament," the United States says, "Not on your life—we wouldn't think of it. All we are for is control, with inspection." So you are just adopting Khrushchev's language. That is exactly what has been going on for 2 or 3 years.

Senator **Humphrey**. That is a very disarming argument, Mr. Chairman.

The **Chairman**. Well, it is true.

Senator **Humphrey**. Then maybe this is part of our weakness. We try to go around here as if somehow or other we were conducting a public health operation rather than trying to have good living.

Disarmament has a connotation, I think, in the world of today that has good political meaning and a positive approach to a very serious matter, namely, the arms race.

Now, arms control is a negative way of doing it. It is just dead. It is something like instead of talking about the use of food for peace and freedom, we say Public Law 480.

The **Chairman**. You don't think disarmament is very live at the moment, do you?

Senator **Humphrey**. But it has some possibilities, at least. It is a romance word that relates to the subjects.

The **Chairman**. This is a romantic bill. I will agree with that.

Senator **Gore**. But don't deny Hubert romance, now.

MOVE TO STATEMENT OF PURPOSE

Senator **Aiken**. Do I understand from these various communications that Mr. McCloy does not like to have it stated, as "Scoop" Jackson does, "Disarmament policy, as one part of foreign policy, must be consistent with national security policy as a whole." Am I correct in assuming that he doesn't object to that statement but objects to it in this place?

Senator **Humphrey**. Yes. He thinks that statement should come in the purpose. I agree.

Senator **Aiken**. He says move it over there on purpose.

Senator **Humphrey**. Yes, sir. And I think that is where it belongs. And then this expression of the relationships that are to be——

Senator **Aiken**. But he does not dispute that disarmament policy is a part of foreign policy as a whole.

Senator **Humphrey**. Indeed not. He asks that we put that over in the statement of purpose in the early part of the bill.

Senator **Aiken**. I think maybe he is right about that.

Senator **Humphrey**. So I would like to precipitate some action here and move, first of all, that the words "disarmament policy is one part of foreign policy and must be consistent with national security policy as a whole" to add that over on section 2, on page 2, right on line 6 after the word "disarmament". That is where it would fit in.

Senator **Church**. I second the motion.

ANOTHER UNDER SECRETARY OF STATE

The **Chairman**. You have heard the motion. I only want to say this. This bill—I have been less than enthusiastic about it, and I do not want to stand in its way, but the other day we had a very long discussion about this, and the almost unanimous, I think, opinion was that this should be so clearly identified with the Secretary, it should be an Under Secretary of State. Now you want to go back to a director and maintain the idea that it is a semi-autonomous agency.

I don't know how positive people like Symington and Hickenlooper are going to be in their objection. It struck me as a reasonable argument. Symington has gone. I don't know—is Hickenlooper in town?

Senator **Sparkman**. Yes, he said he would be here.

The **Chairman**. Well, I prefer that—simply to think the Secretary of State must have responsibility for this. It still is equivocal, it seems to me. Why do you object to calling him an Under Secretary or a Deputy Secretary of State?

Senator **Humphrey**. Simply because this particular activity has a relationship to a number of departments in Government.

The **Chairman**. So does the Secretary of State. He certainly has a great relationship with the Defense Department. They cannot be considered separately, nor can they from NASA. We ran into that last year in the U-2. There was a lack of coordination that caused a lot of trouble there—the failure to recognize the superiority at all times of the Secretary of State.

Senator **Humphrey**. My only feeling about it is that all these extra witnesses that testified on this, two Parties, two administrations, felt that the degree of autonomy was required. This was the case of Cabot Lodge, this is the case of Wadsworth, of former Defense Secretary Gates, of Lovett, Herter, these fellows——

The **Chairman**. We had that, and it has not worked very well.

Senator **Humphrey**. The main reason I think it has not worked in the past is that there never has been any direct guidelines set down.

The **Chairman**. It certainly was not because it was an Under Secretary of State, because it was not.

Senator **Humphrey**. Recently it has been under the Secretary of State.

The **Chairman**. It has been under the President.

Senator **Humphrey**. I meant in the latter part of the Eisenhower administration.

Senator **Sparkman**. I have no great feelings on this. But it seems to me that setting up an Under Secretary of State would perform a double function. First, it would strengthen the organization as such at a higher level. And, second, it would amount to an incorporation into the structure of the State Department.

The **Chairman**. In a very positive one. He is identified with it just like——

Senator **Sparkman**. It seems to me if you are willing to accept the Jackson amendment you would be willing to accept a proposal to make him an Under Secretary of State.

The **Chairman**. Symington said, if he said anything, positively, as I understood it, that it ought to be an Under Secretary of State. Did you hear that?

Senator **Sparkman**. No.

The **Chairman**. Well, the record will show that.

Senator **Humphrey**. I know he feels that way.

The **Chairman**. He left me his proxy.

I have to go in a few minutes.

Senator **Sparkman**. Is the aid program now under an Under Secretary of State?

The **Chairman**. No. Well, it is under one, but——

Senator **Sparkman**. I mean it does not have one.

The **Chairman**. It does not have one by name. It would be under George Ball, I assume.

Senator **Church**. What about USIA?

The **Chairman**. USIA is a semi-autonomous agency.

Senator **Church**. Would that be under any Under Secretary?

The **Chairman**. You have an Assistant Secretary of Public Affairs who has a general responsibility. But USIA has a Director. It was taken out of the State Department some years ago.

Senator **Capehart**. Mr. Chairman, may I ask this question. Is this agency going to make any policy?

The **Chairman**. Well, I would think it would have a very great function in making policy.

A SERVICE AGENCY

Senator **Capehart**. Influencing it. But can it within itself make policy?

Senator **Humphrey**. Only under the direction of the Secretary of State. That is provided for specifically.

Senator **Capehart**. If I might talk on this subject a minute, it seems to me that what we need here is an agency that will gather information and statistics and be autonomous, except for policy-making: stand out here and get the job done, so that if we have a call for a disarmament they have all the facts to throw into the lap of the Secretary of State and the President.

The **Chairman**. You are talking very much along the line of Symington and Hickenlooper—that it is a kind of a service agency for the expertise, if you like, of this whole subject. When it comes to negotiating and going and meeting, as you say, I think, making policy—it is done directly under the Secretary of State.

Senator **Capehart**. I would like to see a Director and a separate organization here for the purpose of gathering information, et cetera. But the Secretary of State to make the policy, to be the complete 100 percent judge as to when there is a meeting of other nations—and this Director furnishes the Secretary of State with all the information. But I think the idea of having a separate organization here now to be prepared at any moment's notice and be properly prepared so that we can hit it right now—I think that is an excellent idea.

The **Chairman**. The function, of course, that you describe would be performed by this department of the Department of State, under an Under Secretary.

Senator **Aiken**. Mr. McCloy as his statement came out, claims that negotiation of international agreements is a function of the Secretary of State; however, formulation of disarmament policy which is to be carried out in an international negotiation involves many considerations that are outside the competence of the Department of State—that is negotiating an international agreement belongs to the Secretary of State, but developing an international policy concerning disarmament falls outside, and involves many agencies. And that is why they want to set this one up, I take it, to take that function over, the developing of disarmament policy, which they claim does not belong to the Secretary of State exclusively.

LEND STATUS AND STATURE TO THE PROGRAM

Senator **Humphrey**. By the way, Bill, before you go—it seems to me that it would be possible for us to work this out so that when we have the title of Director, we should say something to the effect that there shall be a Director who shall have the rank of Under Secretary, so that he has position within the Department.

The **Chairman**. I think it would be easier if you just want to call him an Under Secretary—this still keeps the idea. He is separate and he has a different relationship, and he has a certain independence of the Secretary.

Senator **Humphrey**. You mean as a Director?

The **Chairman**. If you call him a Director—and the responsibility.

Senator **Church**. Hubert, I would be for anything in this that would lend status and stature to the program, because I think it is probably the sanest program we can ever embrace within our policy. You might very well add the status and stature in this effort if you were to place it under a person who was an Under Secretary of State.

We only have one Under Secretary of State for Economic Affairs, who has a very high place in the State Department. An Under Secretary of State for Disarmament would have a very elevated place in the State Department.

In any case, the President can use these people as he pleases.

Senator HUMPHREY. I just want to say, I cannot for the life of me see why we call on the best people we have in this country in terms of the work they have done in this—we have had Fred Eaton down here who negotiated for us, who went through this misery and testified literally with tears in his eyes as to what happened to him, lack of preparations, little information he had, how difficult it was to get coordination between Defense and AEC and State. And here we have Cabot Lodge, who testified that he could not even get answers, as the Ambassador out of the State Department on the issues of disarmament. We had Christian Herter who came here and said, "Look, I can tell you that you set this thing up, and if you don't have this kind of authority written in for this Director, you just don't get the job done. They just hold back."

Here we have people of two administrations who have given—as Mr. Gates said, he spent a lot of time on this matter, and he set aside sums of money as Secretary of Defense for it.

Senator SPARKMAN. But Hubert——

Senator HUMPHREY. Just didn't want to reject their advice. These are the people that have been out on a firing line on this.

Senator SPARKMAN. But listen. What they are pleading for is someone who will be responsible for this program.

Senator HUMPHREY. That is correct.

Senator SPARKMAN. Now, what difference does it make whether you call him a Director and set him off to one side, or call him an Under Secretary of State and put him in the State Department? He is charged with one responsibility. It is not a case of having an Under Secretary with half a dozen different jobs to do. This Under Secretary has one job to do, and that is disarmament.

Senator HUMPHREY. Maybe you have got a point.

A SEPARATE SET-UP

Senator CAPEHART. May I say this. I think I would prefer a Director and a separate organization. I know other people disagree with me. I think this thing is important enough that you have to set it up on the basis so that they can get cooperation out of all the departments of the Government, because they are all involved.

Now, I don't want this Director to be—to make the final policy, and I do not want him to negotiate, except under the direct supervision of the President, who really is the Secretary of State. The Constitution makes him that. I think it would be much better, because I cannot think of anything more important than what we are talking about. So I would vote for a director myself.

Senator AIKEN. I would think that these powers which the bill confers on the Director could be conferred directly on the President, except if it comes to transferring functions from one government agency to another, the President might want an official establishment to transfer them to. If he transfers from one to the other what we have now, he is going to get some of them pretty mad. Some of them are going to be mad anyway. But is that why he feels he has to have a separate set-up?

Senator HUMPHREY. Yes, I think that is why. He needs a house to put them in.

Senator **Sparkman**. As I said this morning, I agree with what Homer said. I would prefer a separate set-up. Here is a situation, though, that I think the majority of the committee has indicated its belief that it ought to be inside the Department of State. And I think our only hope of getting action in this committee and in the Senate at this session of Congress is to put it in the Department of State. And, therefore, I would like to suggest that we agree on this.

Senator **Capehart**. Let's let it go over. Let's not do it half way.

Senator **Sparkman**. Wait a minute. Let's see if we can't work out an agreement setting it up in the State Department under the direction of an Under Secretary—under the direction of a man who will be an Under Secretary of State for Disarmament. That will be his job. And then let's ask the staff, with our counsel here, to list the types of research, authorize the appropriations, and the method of the President to coordinate activities among the different agencies and have that bill ready for us when we come back here next Tuesday.

Senator **Capehart**. I would like to be on record as voting against an Under Secretary, and in favor of a Director. I am not going to insist on any roll calls or anything of that sort.

Senator **Humphrey**. George, what is your view of it?

A REFLECTION ON THE STATE DEPARTMENT

Senator **Aiken**. I have two views. If you set up a separate agency, it is sort of a reflection on the State Department.

Senator **Humphrey**. I mean within the State Department, though.

Senator **Aiken**. Well, within the State Department—could you transfer a function and a few hundred million dollars, we will say, from the armed services and atomic energy to a semi-autonomous group within the State Department without a rumpus? Now, they suggest that all affected agencies be permitted to go right to the President and squawk about it. The President has enough to do now. I think we want to give him as little actual work as possible.

But I had thought up until very lately that is should be in the State Department. But I can see advantages of a separate agency.

Senator **Capehart**. Isn't the Defense establishment as interested as the State Department and every other department and the Congress?

Senator **Aiken**. Yes. You transfer a few hundred million dollars and some authority from armed services to anything even located in the State Department and they are not going to like it.

Senator **Humphrey**. Couldn't we say something like this—that there shall be established within the Department of State a United States Disarmament Agency under the direction of an Under Secretary of State who shall serve as the principal adviser to the President and the Secretary of State on disarmament matters, and in carrying out his duties under this act, shall have primary responsibility in the Government for disarmament matters.

Senator **Hickenlooper**. I think the language could be found along that line.

But you cannot make an Under Secretary of State superior to the Secretary in certain matters.

Senator HUMPHREY. Well, can't you give him a specific assignment?

Senator HICKENLOOPER. I think you can, yes.

Senator HUMPHREY. That is what we are attempting to do here. You know, they spent weeks and months going over this thing, fighting about it, all these people around the country.

Senator HICKENLOOPER. That is very true. But we write it to suit them. They write the specifications just like writing a job specification when they want to fire somebody over here.

Senator HUMPHREY. John McCloy is, so to speak, stepping out of this particular job.

THE PRESIDENT SHOULD BE RESPONSIBLE

Senator AIKEN. Could this agency be set up within the Presidency?

Senator HUMPHREY. Yes. That was one of the alternatives.

Senator AIKEN. Actually the President should be responsible.

Senator HUMPHREY. But the compromise on it was that it should be set up within the Department.

My own personal feeling is that the language that Jackson came up with, where it specifies that it shall be under the direction of the Secretary of State, is about as good a language as you can give it, because then if there is any additional need of authority, the President himself can delegate that and exercise it, because after all the Secretary of State is his agent. I think the important decision we have to make is whether or not we want to have the language that reads that he shall be under the direction of the President and the Secretary of State, or whether you want it that he shall be under the direction of the Secretary of State—that is for administrative and supervisory purposes.

Senator CAPEHART. Will the Senator yield?

Who does have the responsibility for disarmament?

Senator HUMPHREY. Well, obviously ultimately the President has the responsibility for all of it.

Senator CAPEHART. Well, and who is interested? The Congress, the Department of Defense?

Senator HUMPHREY. Defense, Atomic Energy?

Senator HICKENLOOPER. The Congress has the ultimate responsibility, and the sole responsibility for disarmament, in my view.

Senator CAPEHART. Then let's set up an independent agency here to report to the Congress.

Senator HICKENLOOPER. You cannot do that.

Senator CAPEHART. Why?

Senator HICKENLOOPER. The President is the administrator of the details, but the ultimate power, outside of negotiation, which is fixed by the Constitution—the ultimate power rests, I think, in the Congress.

DISARMAMENT IS BASIC IN FOREIGN POLICY

One of the things that bothers me, Hubert, is that disarmament is a completely integral part of our relationships with foreign countries.

It is basic in foreign policy or it is one of the basic things in foreign policy. If it were not foreign policy, then we would not have to disarm. We would not have to disarm against ourselves unless we abolished the National Guard.

And to set up an agency here which goes off and frolics on its own, tinkers around with one of the pillars of the citadel here that is practically an independent agency, I think, is a dangerous thing from the standpoint of the contribution to confusion.

I have thought about this quite a lot. I realize that any disarmament agency or the head of any disarmament agency has to have certain freedom of action. He has to have some responsibility. He cannot just be an office boy over in somebody's office.

But to make him a principal adviser to the President on disarmament matters seems to me is going too far. It seems to be going too far because the Secretary of State is supposed to be the adviser to the President on foreign policy.

And, yet, I would go further than to make him merely a minion of the Secretary of State in a subordinate position; that is, in a lower echelon just as another workman under the Secretary of State along with three or four others; and that is where I do not know how to arrive at it.

But I would rather have nothing than to set him up or set up that department as an agency so that it can go on frolics of its own and disrupt the State Department periodically because there was not any control over him.

And I am not advocating doing nothing.

Senator HUMPHREY. I understand.

Senator HICKENLOOPER. But I think this is so fundamental that I do not think just because we are carried away with the idea of denominating something, an agency for disarmament, and it is a good idea, that we write any kind of a statute that has those words in it.

Senator CHURCH. Bourke, do you not think that Jackson's language does the thing you are reaching for?

Senator HICKENLOOPER. No, I do not think so.

Senator CAPEHART. Will the Senator yield?

A PROFESSIONALLY COMPETENT AGENCY

Before you came in, I made the statement that what I want is a department and a directory that will gather all the information that can be prepared at a moment's notice, but the presentation of this to foreign nations would be under the supervision of the Secretary of State.

I said I would like to give the Director sufficient authority that he can get what he needs out of all other departments of Government because he has to do that in order to be prepared.

Now, is that not what we all want, or am I wrong?

Senator HICKENLOOPER. I think it is absolutely essential that if we set up such a department, it be set up as a professionally competent agency to gather this information.

I do not believe in setting up a department of the Government to write and negotiate treaties separate from the Secretary of State.

I do not believe we ought to set up that kind of department in Government.

Senator WILEY. You are right.

Senator **Hickenlooper**. You do not know where your foreign policy is.

Senator **Capehart**. Let me repeat again what I said. Do we not want an organization here, now, with enough teeth in it, enough authority, to get all of the information that is necessary from all departments without anybody interfering with it? But then, when it comes to negotiation with another nation or nations, then it must be under the direct supervision of the Secretary of State.

That is what I want and that is the kind of an organization I think would be desirable. I think if you set it up as a Secretary or Assistant Secretary of State and put it over there just as another Under Secretary and another assistant, I do not think it will function properly.

HOW FAR CAN THEY GO TO DISRUPT THINGS?

Senator **Hickenlooper**. You can set it up anyway you want to for the gathering of information, for an agency that can study this subject, so far as the immediate future is concerned, the long-range future is concerned. Have a more competent group to give answers to the questions and to think these things out. That is all right, and I think that is in contemplation here.

But it is a question of how far do you implement this group in its own autonomy, and there is where you get into trouble.

How far can they go to disrupt things?

You will find one branch of the foreign policy waking up thinking that they have a policy going, and you find the disarmament agency off here talking to these fellows behind the trees on something else and leading people to think we are going to do one thing when the policy, on the other hand, is different.

COMPARISON TO ICA

Senator **Church**. What were the considerations, Bourke, that led us to set up the ICA as a semi-autonomous group within the State Department?

Would not the reasons be, since this is such an important arm of our foreign policy, would not the reasons be equally consistent to make this a part of the State Department, as Mike Mansfield has often proposed that this be done, under an Under Secretary rather than to have this semi-autonomous character? Maybe it was a mistake to do this with the ICA, but I was just wondering and I am asking for information why it was done this way.

What were the considerations that prompted us to set it up that way?

Senator **Hickenlooper**. We have had trouble with the ICA. We first had it in the State Department and it has always really been in the State Department, but under various degrees of direct control and reporting. And so has the TCA [Technical Cooperation Program], by whatever name we have called it from time to time.

ABSENCE OF A QUORUM

Senator **Long**. Mr. Chairman, might I just make a suggestion here as a procedural matter.

I was thinking of objecting to us proceeding without a quorum, but I want to be cooperative. The thing that gets me and that I am thinking about is that we do not have a quorum here, and it looks to me as though we are headed up to an issue that can only be decided by a vote.

Senator SPARKMAN. We have had a quorum. Two have just gone out to the telephone.

Senator LONG. Senator Hickenlooper made the point this morning that he did not want these things to be voted on where there were a bunch of absentees and someone votes a bunch of proxies without hearing his side of the argument, and there is a lot to be said for that.

In other words, if we are going to do some voting and do business, I might try to stick around here. But the Senate has a lot of important bills in which I am interested on the floor.

Senator CAPEHART. Would the Senator yield?

The chairman just left and said the acting chairman would tell us what the schedule was for next week.

Senator SPARKMAN. Here was my hope: That we could agree on this principle, what kind of an organization it was going to be, and then ask the staff by the time we would come back here, say next Tuesday afternoon, to have a bill drafted to fit in with that.

CREATION OF AN UNDER SECRETARY

Now, here is a sketch that has been handed to me. I do not know who wrote this.

Mr. MARCY. Mr. Pinion drafted that. Do you want to get Senator Humphrey back?

Senator SPARKMAN. Yes. I would like to have him back here.

Mr. MARCY. This is roughly what he said, was it not?

Senator SPARKMAN. It is along the line of what I suggested a while ago as a possibility.

This language has been written down and this followed very closely what both you and I suggested a while ago:

> There is hereby established within the Department of State an agency to be known as the United States Disarmament Agency for World Peace and Security. The Agency shall be under the direction of the Under Secretary of State for Disarmament.

Senator HICKENLOOPER. Of an Under Secretary?

Senator SPARKMAN. An Under Secretary.

Senator HICKENLOOPER. You would have to create the job.

Senator SPARKMAN.

> Under an Under Secretary of State for Disarmament, who shall serve as the principal adviser of the Secretary of State on disarmament matters.
>
> In carrying out his duties under this Act, the Under Secretary of State for Disarmament shall, under the direction of the Secretary of State, have primary responsibility within the government for disarmament matters.

PRINCIPAL ADVISER TO SECRETARY OF STATE AND PRESIDENT

Senator HICKENLOOPER. I would go a step farther than you have gone there, myself. Under that kind of language, which at least on the eardrum at the moment sounds fairly reasonable, say that he shall be the principal adviser of the Secretary of State and the President.

Senator SPARKMAN. As a matter of fact, I would prefer that.

Senator HUMPHREY. To the President and the Secretary of State on disarmament matters.

Senator HICKENLOOPER. Now, let me suggest this——

Senator HUMPHREY. I will buy that.

Senator HICKENLOOPER. Wait just a minute. I did not say it that way, Hubert. I said the principal adviser to the Secretary of State and the President. I do not say to the President and the Secretary of State.

Senator SPARKMAN. That is right, I caught the difference.

Senator HUMPHREY. You said what?

Senator HICKENLOOPER. To the Secretary of State and the President. I put the Secretary of State there first because he is an Under Secretary in the first place, but it also gives him a standing with the President through the Secretary of State, do you see what I mean?

Now, it may be a distinction without a difference, I do not know.

Senator SPARKMAN. I caught it.

Senator HUMPHREY. Shall be the principal adviser to the Secretary of State?

Senator HICKENLOOPER. And the President.

Senator CAPEHART. I will buy that.

Senator HUMPHREY. On disarmament matters.

Senator SPARKMAN. Why do we not agree on that?

Senator GORE. Without objection, why do you not declare it agreed to?

Senator SPARKMAN. Not quite so fast.

Senator HUMPHREY. At least tentatively.

Senator HICKENLOOPER. As far as I am concerned, I will tentatively take that.

AGENCY/OFFICE/DEPARTMENT/ADMINISTRATION

Senator CHURCH. Is it proper to call it an agency, John?

Senator SPARKMAN. I wondered about that, but I suppose it is.

Senator CHURCH. It would be a department, would it not, or a branch? You have your various branches. You have an agency under an Under Secretary.

Senator HUMPHREY. Or a disarmament administration.

Senator HICKENLOOPER. Read that again, would you, please?

Senator HUMPHREY. I will be the Secretary. It says:

> There is hereby established within the Department of State an agency to be known as the United States Disarmament Agency for World Peace and Security.

Senator HICKENLOOPER. Let us leave it that way and think about it.

Senator HUMPHREY. You could change it to "office" rather than "agency".

Senator SPARKMAN. Is that all right, an agency within the Department of State?

Mr. PINION. Yes, sir, I think so.

Senator SPARKMAN. You think that is all right.

Senator **Capehart**. Why not a department within the Department of State?

Senator **Sparkman**. No.

Senator **Hickenlooper**. The Department of State is the department.

Senator **Church**. Division or office.

Mr. **Marcy**. "Administration" would be another one.

Senator **Humphrey**. "Administration".

Senator **Gore**. What is wrong with "agency"?

Senator **Humphrey**. That is all right, fine, "agency".

Senator **Sparkman**. He says it is all right; let it stand.

PRINCIPAL ADVISER

Senator **Humphrey**. Then it further reads:

> The agency shall be under the direction of an Under Secretary of State for Disarmament who shall serve as the principal adviser to the Secretary of State and the President on disarmament matters.
>
> In carrying out the duties under this Act, the Under Secretary of State for Disarmament shall, under the direction of the Secretary of State, have primary responsibility within the government for disarmament matters.

Senator **Capehart**. I would like to substitute the word "chief" instead of "principal"; "chief adviser" rather than "principal adviser".

Senator **Hickenlooper**. I think the word "principal" is used a little bit more in that connotation than "chief".

Senator **Humphrey**. Or "shall have primary responsibility".

Senator **Capehart**. I would rather use the word "chief".

Senator **Hickenlooper**. Why do we not do this——

Senator **Sparkman**. I think "principal" is all right.

Senator **Hickenlooper**. We take it as it has been read there temporarily. If there is a difference in semantics, in a few days or until Monday or Tuesday or something like that, we can jiggle the words a little bit. But we will make some progress if we say for the moment we will buy that.

Senator **Humphrey**. I think this works out good. Let us take it tentatively and we can look it over.

Senator **Sparkman**. If there is no objection, we will agree to this.

Senator **Hickenlooper**. Let us not tell the press we have decided to put it there or here.

Senator **Humphrey**. No.

Senator **Sparkman**. We are still working. And then shall we instruct the staff now to go on from there and have us a bill ready for next Tuesday afternoon at 2 o'clock?

Senator **Humphrey**. May I ask, before you do that, Mr. Chairman, if we could take that point that Senator Jackson made, which I think is very valid, in the opening sentence of his revised language where he said:

"Disarmament policy is one part of foreign policy and it must be consistent with national security policy as a whole," and add that on line 6 in section 2?

Senator **Hickenlooper**. That is a good statement.

Senator **Sparkman**. It is a good statement, and the staff can work it in at the proper place.

PUTTING TEETH IN IT

Senator **Hickenlooper**. Why do we not roughly take now—we have No. 1. We have a statement there on No. 1. No. 2, what, in general, is this agency to do? No. 3, in doing it, what are its various authorities and how can it implement those obligations, responsibilities?

Senator **Capehart**. I am in favor of putting a lot of teeth in it so they will not get stymied with these other organizations of Government.

Senator **Humphrey**. Might I say in looking through this, you have some amendments along the line here.

Senator **Hickenlooper**. I would shorten the bill up, myself. I would take a lot of the detail out of this bill.

Senator **Humphrey**. The only problem is, if you take too much of it out, it leaves such ambiguity.

Senator **Sparkman**. Let us hold it and see what the staff can do for us.

Mr. **Marcy**. What we propose to do would be to work with the lawyers downtown and see if putting it in this context within the Department might not make it possible to avoid some of these references, representation allowances and similar things which you have to spell out if it is an independent agency; and if it is in the Department, you do not have to. I think that Senator Hickenlooper has a good point, however, in getting perhaps some guidance right now as to the kinds of things which the agency can do, especially in the field of research.

That is section 31 on page 14, and you might just want to go through those quickly.

PRIVATE PATENTS ON PUBLIC RESEARCH

Senator **Long**. I have an amendment for that section—private patents on public research.

Senator **Gore**. I am with Russell on this one.

Senator **Long**. Here is how it would read:

> No appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, uses, products, processes, patents, and other developments resulting from their activity will (with such exceptions and limitations as the Director may determine to be necessary in the interest of the national defense) be made freely and fully available to the general public.
>
> Nothing contained in this subsection shall be construed to deprive the owner of any background patent relating to any such activity of any right which he may have under that patent.

That is the standard language we have been putting in all these research bills where we just say that when he has some background patent or something like that, that is his all right, but that this is available for general use and he will not have a private patent at public expense.

Senator **Hickenlooper**. I like the method of approach here that we are getting at, and I hope we can come back here Tuesday with some constructive outline.

COMPARISON TO ATOMIC ENERGY ACT

But let me call this to your attention now. In 1946 we wrote an Atomic Energy Act as sort of a pioneering operation, and this is a kind of a pioneering operation on disarmament, which is at least as important as atomic energy was. We sat for 5 straight months on that bill to try to get a bill that would work pretty well, and it worked pretty well.

We have amended it somewhat, but the basic structure is still there, and we would not have had it if we had written it in the course of four or five meetings.

Now, I do not say we should take 5 straight months on this thing, but I do say that this is of sufficient importance that we ought to give it more than a lick and a promise and say that because somebody downtown wants to create an agency or wants a job, has written up a bill that they like for themselves and from their viewpoint, I mean from the viewpoint of a bureaucracy, that we ought to just take it in two or three sessions without examining it pretty thoroughly and freely understanding what is in it, because a disarmament agency, if we set it up, by law, will probably operate for a pretty long time, and, therefore, it ought to have some pretty stable things in it.

Now, they have thought about it downtown, and they have thought about atomic energy, too, for a year or so before we wrote the act, but we sat for about 5 months on it.

Senator **Sparkman**. Bourke, there was this difference. I was on the committee of the House that handled that act. Over there it is the Military Affairs Committee. Over here you have some other committee handle it, as I recall.

Senator **Hickenlooper**. We had a special committee.

Senator **Sparkman**. Yes, that is right.

And, you remember there that there was a tremendous fight between the military, the question of military and civilian control, and you had different parts of the Government pulling against other parts of the Government, and that accounted in large part for the prolongation.

And then, of course, there was a difference, as I recall, between the two Houses that called for a rather prolonged conference.

Senator **Hickenlooper**. John, you take the bill that was whipped up here by this special committee over a 5-month period of time in the Senate, that was finally reported out by that special committee in the Senate with very little change——

Senator **Sparkman**. And it became the body of the act.

Senator **Hickenlooper**. You fellows were working on the May-Johnson proposal basis.

Senator **Sparkman**. Even though I was on the committee in the House, I was for your proposal.

Senator **Hickenlooper**. You were working on the May-Johnson philosophy. We were working on the other.

Senator **Sparkman**. And that was reported out by the committee over there, as I recall, by a single vote majority, and I was in the minority. I was for your approach.

SENATOR LONG'S AMENDMENT

Senator HUMPHREY. May I suggest that we tentatively take Senator Long's amendment and put it in so we can get this in review?

Senator HICKENLOOPER. What is your amendment?

Senator SPARKMAN. Having to do with patents in connection with research.

Senator HICKENLOOPER. Why think about patents at the moment?

We should think about what this thing is going to do.

And why think about representation allowances and why think about this, that and the other thing until we have got the structure of this thing out?

Then we can talk about patents.

Senator LONG. I want the amendment considered at such times as we get around to voting. We thought about patents on the NASA Act; we thought about patents on the Atomic Energy Act, and we thought about patents on the Oceanography Bill that we just passed.

We talked about patents on the Saline Water Act that we passed, and, so far as I know, the Senate has never voted contrary to the principle I am advocating here.

And every time we failed to vote on it, we lived to regret it by seeing people, like we do on this cancer contract, get this thing out where, after we spent $100 million of public funds and the fellow finds something, then he is in position to charge you $50 a pill.

Senator HUMPHREY. Wait a minute, I want to remind you. I know about that. He did not get a dime of public funds. As a matter of fact, I tried to get that fellow in under NIH, and because he was not a university and because he was not a non-profit organization——

Senator LONG. You are talking about a different fellow.

Senator HUMPHREY. That fellow out in Cleveland.

Senator LONG. You are talking about a different fellow.

STEREOTYPED AMENDMENTS

Senator HICKENLOOPER. Russell, I think I am in agreement with you on your philosophy that it has to go in there, but so does the salary of the Director have to go in there and that of a number of Administrators.

Those are completely stereotyped amendments and form No. 6's pulled out of the pigeonhole and put in this bill, on patents. We will do it.

The only thing I said is there is no use in adopting the salary of the Director now just because we know about what it is going to be. I would rather get the structure of the thing, and then we can put the side boards on and decorate the inside of the house.

Senator LONG. Fine.

Senator HICKENLOOPER. That is my only feeling. I have not any objection to your amendment or the theory of it because we are going to put that kind of an amendment in and should.

Senator LONG. If I cannot be here at the time, I would like to have that considered.

Senator SPARKMAN. You have left it with the staff?

Senator **Long**. Yes.

Senator **Hickenlooper**. I will go along with you on putting in a reasonably protective provision on patents in there or on any other thing.

We will adopt a lot of odds and ends.

COOPERATION AND COORDINATION AMENDMENT

Senator **Humphrey**. The amendment of section 37 on cooperation and coordination which we asked the attorneys down in the agency to prepare, may I suggest that that be included? It is more specific.

It directs that there must be consultation with the Department of Defense, Atomic Energy Commission and National Aeronautics and Space Agency.

Senator **Sparkman**. Let me see now if I am correct in stating this. We have agreed on the type of set-up. We are going to ask the staff to work together with Legislative Counsel in consultation with the staff from downtown to draft a bill that fits in with the discussion that we have had here and have it ready——

Senator **Hickenlooper**. We have agreed on it as a working platform.

Senator **Sparkman**. That is right.

And have it ready for us and let the committee extend the recess until 2:30 p.m. on Tuesday.

AN APPEAL DEVICE

Senator **Hickenlooper**. I would like to enter this suggestion, too. That a search be made for a device—and I say this because there are certain things that I know are potentially possible in the future—that a search be made for a device that will not cut off one or two of the agencies or groups that are vitally interested, such as the space agency or something of that kind, because I know what can be in the offing in the space agency. We can cut them right off here, if we are not careful, in our zeal for disarmament and under the guise of saying we are not going to shoot off any more things.

Atomic propulsion, for instance, in outer space today in my view is the only feasible propulsion that there is for outer space.

You can put liquid propellents in; you can put solid propellents, in; but they give out like a skyrocket.

The only sustainable propulsion that is in the foreseeable future, in my judgment, is atomic propulsion.

Senator **Sparkman**. I think you are right.

Senator **Hickenlooper**. You could get into ionic propulsion eventually some time in the next 30 years, maybe, we do not know. It is all in somebody's brain at the moment.

But we can cut off our water if we go too far, and that is one of the dangers of this atomic explosion. And I think some of these ought to have an appeal device beyond just appealing to the Director or the Secretary of State and having him say: "No, you are crazy and we will put that in the pigeonhole."

I do not mean to say everybody ought to be running to the President.

Senator **Humphrey**. My amendment on cooperation and coordination would provide for an appeal ultimately to the President.

Senator **Hickenlooper**. I am not saying that is wrong.

Senator **Humphrey**. You have to put it some place.

Senator **Hickenlooper**. There has to be an opportunity for these people who have great responsibility to be sure that their position is reviewed and known.

VIEWS OF SENATOR DODD

Senator **Humphrey**. Mr. Chairman, I have a statement from Senator Dodd that he asked me to put into the record today relating to his views on this bill, something that he discussed earlier today, and I ask that that be done.

Senator **Sparkman**. Without objection, it is so ordered.

[The document referred to follows:]

MEMORANDUM TO HUBERT HUMPHREY

Sept. 1, 1961

FROM: THOMAS J. DODD

RE: Disarmament Agency

I strongly support the general purposes of the Disarmament Agency bill. Herewith enclosed you will find my proxy, which I give you without reservation.

In giving you my proxy, however, I perhaps ought to indicate to you that there are one or two aspects of the bill about which I have some doubts. I do not wish to hold things up at this point. However, I hope you will not be offended if I decide to offer one or two minor amendments when the bill reaches the floor.

(1) Since the Constitution imposes upon Congress responsibility for the defense of the country, I should like to see language incorporated which recognizes the ultimate authority of Congress on the question of disarmament.

(2) I have always been worried about the danger of overcentralization, vesting too much power in any field in a single centralized Government agency. I note that the bill in section 37 makes some provision for consultation with other agencies, including defense, and provides that matters be referred to the President when the Agency Director cannot obtain the concurrence of the other agencies.

I would like to see it made mandatory for Defense and other agencies, if they have serious differences with the Director, to appeal their differences to the President. I would also like to see it made mandatory that Congress, or the appropriate committees of Congress be notified of the substance of such differences.

To avoid an overconcentration of authority, and to preserve the minimum diffusion which I consider necessary, I believe it should be specified that the staff to be set up under the new agency will not entail the dissolution of existing staffs in Defense, State and other agencies, concerned with problems of disarmament.

Again I want to express the hope that you will understand my position if I should decide to offer some amendments on the floor. Before, I make any decision, however, I plan to give the matter more careful study.

Let me add that I am not at all sure I will offer any amendment. I am anxious that you know, however, I am thinking about this.

Tom

Senator **Sparkman**. The committee stands recessed until 2:30 next Tuesday.

[Whereupon, at 4 p.m., the hearing adjourned, to reconvene at 2:30 p.m., Tuesday, September, 5, 1961.]

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY (MARK-UP) [1]

TUESDAY, SEPTEMBER 5, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to recess, at 2:40 p.m., in room F-53, U.S. Capitol Building, Hon. John J. Sparkman presiding.

Present: Senators Sparkman, Humphrey, Gore, Symington, Wiley, Hickenlooper, Aiken, and Williams.

Also present: Dwight J. Pinion, Assistant Counsel, Office of the Legislative Counsel; Mr. Marcy, Miss Hansen and Mr. St. Claire of the committee staff.

SPECIAL AUTHORIZATION FOR LABORATORIES

Senator HICKENLOOPER. I have gone over this so-called committee print. I have some comments and suggestions which I will be glad to talk to you about.

Senator SPARKMAN. Let us do that.

Senator HICKENLOOPER. I do not have anything to quarrel with particularly on pages 1, 2, 3, 4, 5, and 6, with the exception of beginning with the last word on page 6, strike out the last word. Does the House not move to strike out the last word?

Senator HUMPHREY. Yes.

Senator HICKENLOOPER. "And may construct such new laboratories."

I am told that the Department has no particular love for that and did not really put it in originally and does not care about it.

Senator HUMPHREY. I move that it be stricken.

Senator HICKENLOOPER. If they need laboratories and can make a case for it——

Senator HUMPHREY. They can send down a special request to the Congress if they ever need one, and I think it ought not to be in there, very frankly.

I would like to join with Senator Hickenlooper in suggesting that that be deleted. Put a period after "government and private."

Senator SPARKMAN. All right. That is done.

Senator HUMPHREY. If they need a laboratory, it will be costly enough so they will have to come up here for a special authorization or appropriation request.

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[1] See Appendix B, page 679.

Senator **Hickenlooper**. The whole point is nobody knows what laboratories they will need.

Senator **Humphrey**. That is right. I think that is worthy.

RESEARCH AND DEVELOPMENT

Senator **Hickenlooper**. Now, then, we go to the first paragraph on page 7. My suggestion goes to all of the rest of that section down through page 8, and here is what it is. It starts out at the top of page 7 and says:

> The authority of the agency with respect to research, development and other studies shall include the following insofar as they relate to disarmament.

And then it lists all of these things down through line 25 on page 8.

My reasoning is this:

It seems to me that this may create an exclusive authority in this agency, and I suggest for your thinking inserting the words in line 4 after the word "include" so it will read:

> The authority of the agency with respect to research, development and other studies shall include participation in the following insofar as they relate to disarmament.

The reason I say that is I do not want to exclude them from full participation, but I do not want them moving in and taking over lock, stock and barrel the functions of the CIA, the functions of the intelligence community in the country, the functions of the military services in connection with the various things except as the President may direct.

If they are given the full right to participation in these things, they can start out with a little less full-blown maturity by participation than I think this gives them. I am afraid this probably could be interpreted as giving them exclusive right to go in and take away from all other agencies a lot of this.

Senator **Humphrey**. It seems to me that that might be worded along these lines as a possible suggestion for purposes of discussion here, starting with line 2, page 7:

> The authority of the agency with respect to research, development and other studies shall include the following insofar as they relate to disarmament, where the President so declares:

Now, that is trial run No. 1.

Now let us come back a little bit. I got your point, Bourke.

PREVENT USURPTION OF ESTABLISHED FUNCTIONS

Senator **Hickenlooper**. I am not quarreling with your language. I am just searching for suitable language that will prevent an interpretation of this group at its outset, before we know what it can do or what it may do, from getting growing pains and attempting to usurp the established functions completely; that is, take over all the established functions of these various agencies.

And I want to give them plenty of participation, plenty of authority and all that. That is my object, and I am not going to quarrel with language that will do that.

Senator **Humphrey**. Another possibility is that after "the study shall include, at the direction of the President"———

Senator HICKENLOOPER. You see, the words "the authority of the agency with respect to research and development," that says it has the authority. I am willing to give them the authority to participate and to go as far as they can in this thing. I do not want to see them get the exclusive authority unless and until we later want to give it to them exclusively, and I doubt that we will.

The reason I say this is just this: While the CIA, for instance, is the international, that is, the basic international information gathering agency, nevertheless, we have the so-called intelligence community which works with the CIA.

There are about four or five different groups that compose the intelligence community, of which the CIA is the coordinator, in fact.

But we do not exclude those others. I mean the CIA has to work with them, and I am not so sure where we would be if the CIA had the exclusive right to preempt that field and not have the benefit of the conflicting views of the other groups.

Senator HUMPHREY. One of the things that——

Senator HICKENLOOPER. That is why I used the word, and there may be better words, "shall include participation in the following insofar as they relate to disarmament."

Senator HUMPHREY. The purpose of this section is to provide a coordinated program of research and development insofar as it affects disarmament.

What we have today is a number of agencies doing this job with no overall coordination or supervision, and the purpose of this agency is to bring those together in a more coordinated manner.

It does not necessarily mean that you stop the other agencies from doing some of the work they are doing. It might very well be that the Department of Defense, the AEC, the Bureau of Standards, or whatever other group it might be, would be doing extensive research in these areas.

Senator HICKENLOOPER. I understand.

Senator HUMPHREY. But it would be under the direction and supervision of the Disarmament Agency. And this is considered to be rather vital.

Now, I think that you are not opposing that.

Senator HICKENLOOPER. I am not proposing getting this outfit in the first instance into all manner of things that have direct bearing on disarmament or even, let us say, collateral bearing on disarmament, if it has a bearing on disarmament. I am not opposed to that.

But you get into the question of detection, the reduction, control and elimination of armed forces and armaments, I mean the military ought to have a strong voice in that.

Senator HUMPHREY. Yes.

Senator SPARKMAN. Why could you not fix it this way? Turn back to your "include". After the word "include," put a parenthesis and say "without excluding any agency of government at present authorized." Make a complete exception.

THE NATURAL TENDENCY OF THE BUREAUCRACY TO GRAB POWER

Senator **Humphrey**. What you have done over here under coordination and under functions, transfer of functions——

Senator **Hickenlooper**. I am mindful of that, and I am mindful of the fact that the President has broad powers even with the use of the word "participation" in.

Senator **Sparkman**. My only question regarding the word "participation" is somewhat akin to yours, except just in the reverse.

In other words, that it might limit them to participation and would not give them a clear field in any particular activity. It seems to me what you are trying to do is to protect agencies that are already in that field, and that you do not mean that they have got to sit down together and do this work jointly. Both may be working in the same field at the same time, but not necessarily in conjunction with each other.

Senator **Humphrey**. Why do we not do this:

"Shall include in cooperation with other"?

Senator **Hickenlooper**. Here is my point. The language is hard to find. I would not necessarily want to completely freeze other agencies in whatever they did.

Senator **Sparkman**. I think we are all in agreement. It is just a matter of finding the words.

Senator **Hickenlooper**. I want this agency to have substantial latitude, but I do not want the bureaucracy and the natural tendency of bureaucracy to grab all the power they can get, whoever they are.

Senator **Sparkman**. You do not want a monopoly in it.

Senator **Hickenlooper**. I do not want to see them start out here with an agency as comprehensive and far-reaching as this is to attempt to grab into an agency that manifestly has not been set up and will take a considerable period of time before it really begins to function with the full strength that we would hope that it had, by discouraging and knocking down other established means here.

And I think there is authority for the President from time to time by regulation, as this thing grows, to incorporate those things.

Senator **Humphrey**. Yes, that is provided for.

Senator **Hickenlooper**. To bring them in.

Senator **Humphrey**. That is provided for here.

Senator **Hickenlooper**. But this looks to me like it would give a very strong basis for saying they, by this act, are given exclusive jurisdiction.

Senator **Sparkman**. Why could you not say this, Bourke:

"Shall include, though not exclusively"?

Senator **Hickenlooper**. But that "exclusively" would refer to the powers; that these powers do not exclude others.

COORDINATION OF AGENCIES

Senator **Sparkman**. Here is a suggestion. This would be something, I presume, that would come at the end of the section.

> Nothing contained in this section shall be construed to deprive any other agency of any authority with respect to any of the foregoing which it may have under any other provision of law.

Why not put that at the bottom of page 8?

Senator HICKENLOOPER. That is all right as far as it goes but I think they ought to participate. I mean they all ought to coordinate.

Senator SPARKMAN. That is provided for over here. That is provided for in section. 34.

Senator HUMPHREY. Under "Coordination".

Senator SPARKMAN. Yes.

Senator HUMPHREY. I would take that language there that you have, John, and add on there: "unless the President directs otherwise."

Senator SPARKMAN. It seems to me the power given to the President under section 34 would take care of that.

Senator HUMPHREY. I guess it would at that, yes. That is pretty broad power under the coordination provision.

OPPOSITION TO USE OF "DISARMAMENT"

Senator SYMINGTON. Mr. Chairman, there are several points that I would like to raise. The first one is this. I have been back in my State twice in the last 3 weeks, and I feel that the way we use the word "disarmament" is fundamentally against the interests of the United States.

I think preferably we should use the words "arms control leading to disarmament," or at least "controlled disarmament." I was, therefore, particularly glad to see that that had come up and been passed in a resolution when I was not here. Nor was I here last Friday.

Now, the other matter I mentioned just casually to Senator Humphrey is this: When this matter first came up, based on my experience in business and in Government, I took the position that the 3 things a man must know are to whom does he report, who reports to him, and what is he supposed to do, and that if you split that in any way, you made it difficult, if not impossible, for him to do the right job.

I also said that it had been my experience in Government, and I gave several illustrations, that it never worked out.

[Discussion off the record.]

Senator SYMINGTON. It was purely in an effort to be constructive that I thought that he should either report—and I said if they want him to report to the President, let him report to the President.

If he wants to report to the Secretary of State, let him report, but do not have him report to both, and I can give you many illustrations. I did give them, but I will not clutter up the record.

I frankly think it would be better to have him report to the Secretary of State, because, based on what I know of the functions of the President, he has a lot to do already, and he would have to promptly redelegate it, and presumably he would redelegate it to the Secretary of State, which should be in peacetime the No. 1 agency in Government.

LOBBYING BY METHODISTS

But I get back this morning and I find a great many telegrams and letters, primarily from members of the Methodist Church, asking me to withdraw my amendment and allow the Secretary of State to report to the President—I mean to allow the Disarmament Director to so report.

So I called up Betty Goetz,[2] for whom I have great respect and who is the only person I have talked to about this, and asked her if she had talked to anybody about this, and she said she had not on her word of honor, and her word is plenty good with me.

So I went through these telegrams and I found a man I know quite well and so I called him and asked him who gave him the information that I put in an amendment.

I said I had never put an amendment in, "and I think you owe it to me. You have given out a great deal of misinformation apparently in my State."

And, as they used to say to me, who said it, what did he say, and when?

I said, "Who told you?"

He said, "I am not at liberty to tell you."

And I said, "This is getting to be a fine ball of wax. You circularized some misinformation in my State and yet your facts are wrong."

Senator HICKENLOOPER. All the Methodist preachers in my State have been wiring me.

Senator SYMINGTON. He said, "I cannot tell you where I got the information."

I understand he has been active in pacifist organizations for some time. And I think it is unfortunate when a Senator cannot come in here with his colleagues before a committee of this character and give his opinions without it being falsely broadcast into his State as to the things that he said.

Senator HUMPHREY. Stuart, I would say that those views of each member of this committee are pretty well known from the testimony that we took, and I am sure that these people are all active on this business, as they are and as they should be, and I feel that everybody is getting some messages.

When you checked with me, I called my office. I am getting messages urging favorable action on this bill.

Senator SYMINGTON. But you are not getting messages asking you to withdraw your amendment.

Senator HUMPHREY. No, because I have none. I mean I am in a different situation.

Senator SYMINGTON. The first time I ever came to a Foreign Relations meeting you were dissatisfied with certain aspects of the staff problem and I respected that, and I am dissatisfied with anybody on the staff talking to people, if they have—and I do not say they have; I want to know—giving misinformation with respect to my position in this matter.

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[2] Former staff director of the Subcommittee on Disarmament of the Foreign Relations Committee.

TELEGRAMS AGAINST "CRIPPLING AMENDMENTS"

Senator HICKENLOOPER. I was not particularly astounded at this because I filed a number of amendments to this thing which are perfectly well known. I mean they are not concealed. But I have got a stack of telegrams from the Methodists, and I am a Methodist myself and I have gotten calls from 3 or 4 prominent Methodist laymen in my State that have been lobbied by these people.

Senator SYMINGTON. So have I; calls, letters and telegrams.

Senator HICKENLOOPER. Friends of mine, very close friends of mine, and I have said:

"These people do not know what they are talking about," and I told these laymen that they had better find out what the situation is and what the circumstances are, and each one of them said:

"We don't know. Please forgive us. Your judgment is all right," and so on.

But I get this customary bale of telegrams, "Please pass the bill without any crippling amendments"; the old "crippling amendments," and so on.

I have written several of them saying my only interest is to make a workable, sound bill that will have the least reasonable criticism to it and that can get on with the scientific study of disarmament and do a job.

But, of course, there has been this great propaganda movement, and it may have originated entirely from this fellow Shaw. I have not talked to him and I do not know anything about him.

Senator SYMINGTON. He never got in touch with me.

Senator HICKENLOOPER. So I could not say that he had started it, but it is almost exclusively, as far as I know it is exclusively from my experience, the Methodist preachers in our State and a few prominent Methodist laymen. It is a Methodist operation, at least so far as it comes to me.

Senator SPARKMAN. Let me say this. I am a Methodist but I have not had any. I do not know whether my Methodists even know there is such a bill being considered or not. But, Stu, we had our meeting last Thursday afternoon that both Betty Goetz and Adrian Fisher talked with me, and I am certain that at the time they talked with me, rather later that afternoon, that they did not know anything about this, and, in fact, I did not know it until later in the afternoon myself.

Senator SYMINGTON. I did not know it because I was out of town.

Senator SPARKMAN. Yes. And I knew that Senator Hickenlooper had introduced a number of amendments. Of course, as he said, that was open.

Senator HICKENLOOPER. I did not make any bones about that.

Senator SPARKMAN. No, they had been printed, but about the resolution that was proposed, which, by the way, was not adopted, Stu, instead we decided to work on this and see if we could not work it out.

Carl wants to say something.

POSSIBLE EXECUTIVE BRANCH LEAKS

Mr. **Marcy**. I just want to say, Senator, this is the second time on this subject that the matter has come up or the reference to the possibility of a staff leak on this.

Senator Lausche referred to it last Friday.

Senator **Symington**. I did not know that, Carl.

Mr. **Marcy**. And you mentioned it, and I am sure it was completely unrelated, and I just want to assure the committee that this has not been the case. The three that are here are the only ones who have participated.

I rather suspect that probably what happened, and this happened once on an earlier bill, when one of the members introduced a series of amendments, and in order to try to get the thing in an orderly way before the committee, we sent those amendments to the executive branch so that their comments could be included in this large size mark-up print.

The first time we did that—we have done it a number of years in the past, but this year for the first time even before those amendments were before the committee, with the executive branch comments, some of the members were beginning to hear objections to certain of the amendments.

So this time, on this particular bill, I talked with Adrian Fisher before we sent it down, and checked with Senator Hickenlooper who had most of the amendments, to make sure that once we sent them to the executive branch, there would be no leakage of any kind until the document was put before the committee.

Senator **Symington**. You could not have told anybody that I introduced an amendment.

Mr. **Marcy**. No, sir.

Senator **Symington**. Because I did not introduce any amendments.

Mr. **Marcy**. No, sir. I do not have any ideas on that.

Senator **Hickenlooper**. On this other matter on the Peace Corps bill where I filed a number of amendments, and I thought it was a matter of courtesy to [R. Sargeant] Shriver and his crowd to send those amendments down so their comments could be included on the amendments I had filed in the big book as it came up here.

Well, there is no secret about it. I find that the minute my amendments hit down there, then the Shriver crowd started writing personal memoranda to members of the committee telling how lousy these amendments were before they ever appeared in the book or anything else, and I hit the ceiling about it. I thought that was a little bit precipitous on their part and Shriver called me about it and I so told him.

I said:

> You have a right or anybody else over in the Administration has a right to express objection to any amendment, but this is really the first time I have known that this kind of a maneuver has happened when this was sent over as a matter of courtesy to you for information and which I am glad to have you have.

He said he was not familiar with the protocol and I said:

> It is not a question of the protocol; it is just a question of the way you handle these things.

Senator SYMINGTON. I might say I have heard this from you and I have never had this problem with other committees that I have served on since I have been in the Senate, and it worries me because if you find out because you have a friend who is frank enough to tell you from where this stuff is coming that is inaccurate, you are a lucky man.

But how much stuff goes out that you do not ever find out went out? That is the trouble, you see.

OTHER LEAKED STORIES

I might tell you another one, and, that is, I will say one thing. There is nobody in this Senate that knows more about tin than I do, because I ran it and sent George Weaver and Ed Welch to live in Bolivia.

I sent George to live in Indonesia, and if I did not know the tin story pretty well 10 years ago, I did not know anything about anything, and I brought that up when we got into Bolivia. Within 48 hours my good friend, the Ambassador from Bolivia, called me up and said: "I understand you think there is a surplus of tin and you are wrong."

And I said: "Well, I am not wrong; I am right," and he is my good friend. And he said: "Stuart, you are wrong."

I said: "I am sorry," so I looked into the stockpile, and I find out that the most tin that we could possibly ever use under the worst possible conditions is estimated to be $400 million worth of tin, and we have—and the taxpayers have paid for over $800 million of tin in the stockpile.

So I called him back and said: "I am not wrong; you are wrong."

But I mean the point is, why, within 24 or 48 hours, when I bring it up in this committee, does he have to know everything that went on? He is a nice fellow. But he is a foreigner, not an American. Why can I not talk here in an executive session without his finding out what is going on?

I just think it is too bad.

Like the story that person got about Morse and me and the question of what LeMay did or did not say. I felt very strongly about it that morning because LeMay had come before us the previous day under oath and denied it before Senator Stennis' committee.

I just think it is too bad.

If I could ever pin it down, then I could talk about it a little better.

Senator HUMPHREY. I do not think you can expect to keep amendments, if you offer amendments, which you did not do, Stuart, that is the point, I do not think you can keep amendments from coming out, nor should you.

Senator SYMINGTON. I do not protest anything coming out that should come out, but I do not like to get wires, and this fellow covered my State, and I understand he has been interested in these organizations for some time.

I think that we ought to be strong as we negotiate. But I do not like to get these wires and letters, "Please withdraw your amendment," because (a) I put in no amendment, and (b) I said that I would be satisfied if the director—you know that—make the director report to one person.

Therefore, I was perfectly willing to have him report to the President, although I think from an organizational standpoint it would be better to have him report to the Secretary of State. My only objection was that he should not report to both. I did not mean to take too much time, but I am glad to hear from Carl as to what he said and I want to assure every member of the committee and every member of the staff that I have not the faintest thought of accusing anybody of anything.

I just think it is unfortunate, because it makes you much more careful in expressing your opinion, and I would like to always feel that I can express my opinion freely, and I have had some experience in the structure of organization in business and in the executive branch of Government.

So I was trying to make a contribution.

Senator HUMPHREY. I think you have.

Senator SYMINGTON. As you know, I have always felt we should have more of an identification. That is all I have to say, Mr. Chairman. I thank you.

RESENTS DEPARTMENTAL PROPAGANDIZING

Senator HICKENLOOPER. I certainly have sympathy with you because I have been deluged with this sudden influx, and they all come in at once. I mean they all come in almost overnight. They started to come in Friday and this weekend, with almost all basically the same language, so it was a definite movement. As far as I am personally concerned, I have as high a respect as anybody for my constituents and for their feelings and so on, but I am going to have to take positions that I think are constructive and sound.

That does not mean that they are because I take that position, but I am going to have to take that position, and I am going to have to tell these people what the situation is, and I expect to.

But so far as information about my activities is concerned, any amendments that I filed to this bill originally, which will go out the window so far as this new print is concerned, I mean I have a few things I want to suggest about the new print, I also asked that they be sent over to the Department for comments so they know that they are over there, and they know what the amendments that I offered are.

But I always resent and always have, regardless of who does it, the idea that a department of Government can write legislation and send it over here, and then propagandize a great mass of people to say, "Take this without crippling amendments. Don't change it a dot or you are a traitor to your country," and all that sort of stuff.

And most of this legislation, after committees that try to do a conscientious job get through with it, is better than when it came over from the Department, because most departmental legislation is written for the special benefit of those who think they are going to administer it, and they put in everything including the kitchen sink.

Senator SYMINGTON. Absolutely right.

Senator **Hickenlooper**. So they will not be inhibited.

Senator **Symington**. I have seen it 50 times.

Senator **Hickenlooper**. I think it is a part of our responsibility, and great responsibility here, to see that legislation is not one-sided, and that it is sound, basic legislation. Again I say that what I think is not necessarily sound. I do not necessarily say that I am right in every instance, but I want to try to help out, if I can.

DIRECTION, AUTHORITY AND CONTROL

Senator **Symington**. I would like to say one more thing, if I may. In section 22 I think the word "general" ought to be out. "It shall be under the supervision and direction of the Secretary of State."

This is a phrase—I went through all the agony of whether or not——

Senator **Hickenlooper**. What line is that?

Senator **Symington**. Page 4, line 18. This is the kind of thing that I got experience with as a result of the creation of the Office of the Secretary of Defense. It says "under the direction, authority and control." I do not want to go that far. But I do think the word "general" ought to come out of there.

Senator **Sparkman**. I see no objection to that.

Senator **Humphrey**. I see none. I think that is right.

Senator **Symington**. Do you not think that is true?

Senator **Humphrey**. I do. If you are going to have supervision, it has to be supervision. I think once you make the decision about the Under Secretary, then it ought to be just what it says.

Senator **Symington**. And I want to say, although I think it is unfortunate that this comes up at this time, I am for the agency without reservation, and I think that it stands an infinitely better chance of success the way it is set up now than it did before.

Senator **Humphrey**. I think we generally agree that this procedure in section 22 will help it.

Senator **Sparkman**. Stu, before you came in, we had agreed to a change at the bottom of page 6 and the top of page 7.

Senator **Symington**. Do we agree to take out the word "general"?

Senator **Sparkman**. Yes. Without objection that is done. Put a period after the word "private" and strike out the rest of that sentence. Then we were discussing the next sentence.

Senator **Symington**. I think that is a tremendous improvement, cutting out that sentence.

Senator **Hickenlooper**. If they need laboratories, they can come in with special requests.

Senator **Sparkman**. Bourke raised a rather interesting and I think important point in connection with the next sentence: That some eager beaver might raise a question and get by with it that we were giving to this agency the exclusive authority.

Senator **Symington**. I was here then.

Senator **Sparkman**. I think we are all pretty well agreed, and we have been seeking language.

Now, Bourke, how would this do? In lieu of that sentence that is there, have this:

> The agency may, at the direction of the President, engage in research, development and conduct studies in the following fields insofar as they relate to disarmament.

Senator HUMPHREY. I would have the word "shall, at the direction of the President," not "may".

I mean at the direction of the President they shall.

Senator SPARKMAN. All right, either way.

Senator HUMPHREY. Because if the President directs them to do so, then they do not have an option. The agency shall at the direction.

Senator HICKENLOOPER. I think the word "shall" would be better than "may".

Senator SPARKMAN. Do you not think that would take care of your protection to the other agencies?

Senator SYMINGTON. There is one other thing I wish to be put in here because in all my career in Government I fought to clean up agencies that were not functioning right instead of starting new ones, which is the great trick if everything is not going well.

Is there any language in here about "to the maximum extent", or something, "they should utilize"?

Senator HUMPHREY. Yes.

Senator SYMINGTON. Is that in the bill?

Senator HUMPHREY. That comes over here on page 11.

Senator SPARKMAN. In talking about using existing facilities, that is at the bottom of page 6.

Senator SYMINGTON. Yes, this is all right.

AGAINST GIVING EXCLUSIVE RIGHTS

Senator HICKENLOOPER. Stu, may I just explain what my theory is in this matter, beginning at the top of page 7 with the words "the authority". It says:

> The authority of the agency with respect to research, development and other studies shall include the following insofar as they relate to disarmament.

And then it lists all the rest of those areas down to the bottom of page 8. Now, I raised the question that that might be interpreted, and could under certain attitudes, as being exclusive authority in that field, which would invade by way of exclusive authority a number of other agencies. I suggested these words:

"The authority of the agency"—beginning at the top of the page—"The authority of the agency with respect to research, development and other studies shall include participation in the following insofar as they relate to disarmament."

Now, that would let other agencies which are already engaged in many of these fields engage in them from their standpoint, but from the standpoint of pure disarmament it would give this agency the right to participate in those activities rather than lend itself to an interpretation that this gives them the exclusive right in those fields.

For instance, the detection, identification, inspection, monitoring, limitation, reduction, control, elimination of armed forces and armaments, including thermonuclear and nuclear and all that sort of stuff, now, we have agencies that are studying those things.

A SHORTAGE OF KNOWLEDGE

Senator Symington. Can I make a couple of observations here? First, I like the idea of Hubert putting in the word "maximum"at the bottom of 4.

Second, I am very sympathetic with Bourke's situation on this, because, if I may respectfully say so, the greatest shortage in the world today is knowledge of this stuff, and where you have your greatest waste incident to this compartmentalized set-up in the Pentagon today is that there are so few people that know about it that you can almost watch a program suffer because the other people do not understand it.

And sometimes, when it is given to them, they cannot do it—period.

For example, as John Sparkman well knows, we would have had a man up and orbiting the earth one year before the Russians if they had not cut the guts out of [Werhner] von Braun, because after they cut the guts out of von Braun and gave it to somebody else, those people simply could not do it.

Senator Sparkman. Then they came back to von Braun.

Senator Symington. That is exactly right.

Senator Sparkman. And in less than 90 days he did it.

Senator Symington. But he could not do the other because they cut the money out and, therefore, there was no thrust capable of doing it.

Why I think Bourke's idea is so solid is that this agency is either going to be an agency that will concentrate on what I know you are interested in, namely, disarmament, or it is going to end up in building up this, that and the other, and, becoming, you might say, almost a competitor. The terrible part about NASA—and I have complete respect for Jim Webb—is that very concept of NASA as a competitor of other agencies of the Government.

You just cannot look at it in any other way, and I am a member of the Space and Armed Services Committees. If you do not limit these people here to where they have to go and ask the most profound people in these fields——

Senator Humphrey. We have written that in over here later on.

Senator Symington. That is why I am so sympathetic with Bourke's position. You take this question of thermonuclear missiles, conventional, bacteriological, chemical and radiological war, you could start a whole new set-up, you see.

COORDINATING RESEARCH ACTIVITIES

Senator Humphrey. Over on page 11 on coordination—you will remember you brought up this point at the hearings and as a result of that this part was rewritten.

Where it says here on page 11,

> The President is authorized to establish procedures to assure cooperation, consultation and a continuing exchange of information between the agency and the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration and other affected government agencies in all significant aspects of the United States disarmament policy and related matters including current and prospective policies, plans and programs. The agency shall keep each of such other——

Mr. MARCY. The idea was to drop that.

Senator HUMPHREY. Yes.

> And to resolve differences of opinion between the agency and such other agencies which cannot be resolved through consultation.

Senator SYMINGTON. Can I ask this: Is there any limitation to the number of people who can work in the agency?

Senator HUMPHREY. No.

This would have to be established through the Appropriations Committee. The point that this "Functions" section has on research is the point that is raised relating to the necessity for coordination of these research activities.

It states here that they shall use the existing facilities and existing personnel, and you cannot engage in any of this without, as the point was brought up in the hearings—we do not want somebody barging off on disarmament research without having already consulted with and being in touch with and working with and procedures set up to assure coordination with the Department of Defense and with AEC and with NASA and other affected agencies.

But what you are attempting to do here is to have one agency that has responsibility for a coordinated program, because today that is not the case.

You have Department of Defense today doing a good deal of work in this area, much more so in the last two years than they had ever done before in the history of the Department.

Now, the AEC is doing a great deal of work in this, but it has to be within a program.

And this agency is directed by this bill to coordinate this program. It does not mean to usurp it but to coordinate it. That is why I feel that if you could take on page 7 the language:

> The authority of the agency with respect to research, development and other studies shall include, when so directed by the President, the following, insofar as they relate to disarmament.

That ties in a little bit later with the "Coordination" section, which requires the President to establish procedures for this type of coordination.

Senator SYMINGTON. Yes, but the President could do it anyway, if he wanted to do it, by Executive decision.

Senator HUMPHREY. Yes, but we require him to do it here. In other words, none of these things can be done except by explicit——

Senator SYMINGTON. Then the fellow cannot do his job without the approval of the President.

Senator HUMPHREY. That is essentially right.

Senator SYMINGTON. I do not think that is right for a law. I like the modification that Bourke made, about the authority of the agency with respect to research and so on "shall include the following".

Senator HUMPHREY. The only thing I worry about——

Senator SYMINGTON. He has to get into these things if he is going to coordinate.

Senator HUMPHREY. I think in a way you are right. The words, "when directed by the President," are somewhat redundant.

THE NEGATIVE AND POSITIVE ANGLES

Senator SYMINGTON. The negative is that it puts the President back into it a little bit after we have gotten him out.

Senator HUMPHREY. Of course, he is in it anyway.

Senator SYMINGTON. That is my point.

Senator HUMPHREY. Even through the Secretary of State he is in it.

Senator SYMINGTON. That is my point. He is completely in anyway.

Senator HUMPHREY. And you do not need to have the direct reference.

Senator SYMINGTON. That is right. That is the negative angle.

The positive angle is you would not want to hold up his getting into this stuff subject to the direction of the President because he has got to get into this stuff, and deep, if he is going to be an adequate and proper coordinator of the subject.

Senator HUMPHREY. The word "participation" worries me somewhat, because if it is just participation, it may mean that this agency will just set up another little program on its part that goes along with some other programs but nobody is really in charge.

PARTICIPATION WITHOUT EXCLUSIVE AUTHORITY

Senator HICKENLOOPER. I think other provisions in the bill later on here for the President to assign——

Senator HUMPHREY. Functions.

Senator HICKENLOOPER. And set up operations, would be sufficient. Just let me point this out. These things just include everything from the bottom of the ocean to outer space.

Senator HUMPHREY. That is right.

Senator HICKENLOOPER. And this agency can just set itself up in an autocracy that just takes over the functions of most of these agencies of the government.

Now, I would like to see it start out—we do not know what this agency is going to do. It is a brand-new agency, and here we propose to give it this tremendous and far-reaching authority.

And I think its authority ought to be a participating authority with coordination as ordered by the President, which he can do.

Senator HUMPHREY. You would say, "shall include participation in"?

Senator HICKENLOOPER. "In the following." But you read "the following" from A to M on the next page, and if there is anything from the Japanese to complete outer space that is left out of there, I do not know what it is. I do not mind including them, but I do not think we should make it exclusive.

Senator HUMPHREY. I think he has a point there.

Senator SYMINGTON. I do, too.

Senator HICKENLOOPER. In other words, we give this agency the direct authority to participate in all of these actions, but not exclusively.

Senator SPARKMAN. Yes.

Senator HICKENLOOPER. It can be argued that this, as it is written, is not exclusive, but it could be interpreted that way, as a superimposed agency.

Senator **Sparkman**. I would think that it is not intended to be exclusive, but, nevertheless, I think we are all in agreement with the point that you are trying to make, and it is just a matter of agreeing on language.

Personally, I do not feel that "participate" is the best word.

Senator **Hickenlooper**. How about "activities"?

Senator **Sparkman**. I thought the way I stated it—and this is not my handiwork; it is Carl's—"the agency"—I had "may," but you say "shall"—"shall, at the direction of the President, engage in research, development and conduct studies in the following fields insofar as they relate to disarmament."

Now, there is certainly nothing exclusive about that at all.

UNILATERAL ACTION NOT LIKELY

Senator **Symington**. I like Bourke's better about participation, because I do not like putting the President in there. The President can do anything he wants, because the Secretary of State reports to him and is responsible to him.

Senator **Sparkman**. You do not understand "participation" to be necessarily a joint undertaking, then. You would not feel that is the only way you could function would you?

Senator **Symington**. I would not want to see these people do it unilaterally.

Senator **Sparkman**. Some of it will be unilateral, undoubtedly. One will be conducting one study and another will be conducting something else.

Senator **Symington**. Let us just take it, let us get right into it: "including thermonuclear, nuclear". Now, certainly those are not going to be unilateral. Missile, that is not going to be unilateral. Conventional is not going to be unilateral, nor is bacteriological, chemical or radiological. It would be absolutely impossible for them to be unilateral. So the only thing I would like to see the law express is, instead of these people going out and building up, which every bloody government department I have ever known does, its own bureaucratic empire, big or little, and it will be as big as we let it, in these fields, that they utilize to the maximum extent feasible, which is the language ahead of this, the stuff that the taxpayers are already paying for.

Senator **Sparkman**. Let me say, if Bourke's language will satisfy this amendment and we can move on to something else, I would be inclined to accept it.

INTERNATIONAL ORGANIZATIONS

Senator **Humphrey**. Might I suggest you could add "include participation in and/or coordination of the following insofar as they relate to disarmament".

Senator **Sparkman**. Let us not bring coordination in there. You have it in this later section.

Senator **Humphrey**. Yes, you have.

All right, let us leave this as it is.

Senator **Sparkman**. "Shall include participation in," is that right, Bourke?

Senator **Hickenlooper**. Yes. "The following, insofar as," and then you do not need to touch the rest of it, except I do not like this "E" business because that puts this agency directly into international organizations such as the United Nations.

Senator **Humphrey**. This is primarily the research, though, and development of in the structure and operation of in international control and other organizations useful for disarmament. They might very well want to have some kind of contractual operations of studies in the field of international control, the type of system that you are going to develop.

I really think that you have to have somebody do that. It does not mean that they are exclusive.

Senator **Symington**. What you could do, you could cut the whole section out and it would not break the back of the bill.

Senator **Humphrey**. It would not help it.

Senator **Hickenlooper**. You could cut it out. You could put a period after "persons" in line 20 on page 6.

Senator **Humphrey**. Let us take that "participation in" tentatively, Mr. Chairman.

Senator **Sparkman**. I understood that was agreed to. Without objection it is amended to that effect.

Senator **Hickenlooper**. Now, then, as far as I am concerned, I am not satisfied with lines 21 and 22 on page 7 because it throws another agency besides the State Department into the United Nations and so on.

I think it just gums up the works there on that.

Senator **Sparkman**. Does that not tie right in with our talks at Geneva, for instance?

Senator **Humphrey**. Exactly. This is the one thing——

Senator **Sparkman**. Carrying on in the United Nations.

Senator **Humphrey**. Since you are putting this under the supervision of the Secretary of State and you are assigning this particular group to work on these problems, I would think they would want to do that.

Senator **Symington**. I would, too.

Senator **Sparkman**. So would I.

Senator **Hickenlooper**. I will surrender temporarily anyway on that. We will have to have a caveat on there.

Senator **Sparkman**. What is next?

Senator **Symington**. Any disarmament agency has to be international per se.

THE LONG AMENDMENT

Senator **Hickenlooper**. They have two sections on patents and I do not know what they mean. I mean I am not sure.

Senator **Sparkman**. You mean you do not know what either one means?

Senator **Hickenlooper**. They draw a distinction in their analysis.

Senator **Humphrey**. One is the Long amendment, section 32, the top one. That is the Long amendment.

Senator **Hickenlooper**. It is much the same.

Senator **Humphrey**. This is one Russell Long offered, Stuart.

Mr. **Marcy**. This second one is the one submitted by the executive branch.

Senator **Humphrey**. The second one is the revision of the Long amendment. But the Long amendment, according to Russell, is the one that he said had been incorporated in other legislation.

Senator **Sparkman**. In NASA and AEC.

Senator **Hickenlooper**. The point is that some language in here might be interpreted as requiring a fellow or an organization or a group that had independently developed something, that they might have to disclose prior processes and all that sort of stuff in connection with any of this, which would not be quite fair. And I do not quite get the distinction.

I have read both of these and with their explanation, but I do not know what it is.

Senator **Humphrey**. There was a feeling according to this statement that they have here——

Senator **Sparkman**. Stu, by the way, there is a statement before you there.

Senator **Humphrey**. Where it gave a little more protection to, as you pointed out, the private development that had taken place.

A QUESTION OF PROTECTION

Senator **Hickenlooper**. I think development independently, I think development prior to the expenditure of any Government money or Government sponsorship should be protected in the individual or company that did it up to that point.

After that Government money put into development and so on should be available. Maybe that alternate is better, I do not know. They think it is.

Senator **Symington**. It is hard for me to see, but when he says:

> Furthermore, the language, information, products, processes might require the background information, processes and similar data be made available to the public even though information had been obtained by expenditure of the contractor's own funds.

Well, you can bet your hat the contractor did not spend his own funds except in the interests of fulfilling a Government contract, and, therefore, the Government is the source of his knowledge.

I do not like to see a man get a running advantage over his competition.

Senator **Hickenlooper**. I do not think that is quite it, Stu. It is a question of protection.

Senator **Symington**. That is what it says.

Senator **Hickenlooper**. I do not quite understand their interpretation of this language.

Senator **Symington**. Look at the sentence starting "furthermore" on the bottom of page 2 in the middle of the paragraph.

Senator **Hickenlooper**. Yes, you have, the offset letter.

Senator **Sparkman**. From where are you reading?

Senator **Symington**. Page 2, the letter from McCloy.

Senator **Sparkman**. Oh, yes, section 32, the last paragraph.

Senator **Symington**. The sentence starting:

Furthermore, the language, information, products, processes might require the background information, and similar data to be made available to the public even though it was information obtained by an expenditure of the contractor's own funds.

Now, I feel pretty strongly about that. The contractor will spend that money to fulfill the contract. He is not going out and do a big job in this field without Government work. I just happen to agree that AT&T should have a contract on satellites, or some comparable company, because of the points that Sarnoff made in that little talk he made the other afternoon, pick-up, sending, receipt and delivery.

You have to have three, in fact, you have to have four before you can even ask for the fifth. But, on the other hand, if AT&T gets some stuff as a result of that, I do not want to see them claim that they have exclusive control of it because they have spent their own money, when actually they could spend their own money thoroughly protected by the percent of profit they were sure to make off a negotiated bid with the Government.

Senator HUMPHREY. What about this line, Stuart, that they have here on page 3, where it says:

> Even this revised section 32, however, will place the new agency at a substantial competitive disadvantage with most other government agencies, including the Department of Defense, with respect to letting contracts.

Senator SYMINGTON. I do not know what he means by that.

Senator HICKENLOOPER. I think what he means, the Department of Defense has a deal where they can permit the contractors under certain circumstances to have the benefits of developments that they do on Government work, and I think it goes too far.

Senator SPARKMAN. It is that that Russell Long is fighting against, and the Atomic Energy Commission, NASA and National Science Foundation, and all of them have adopted these different——

Senator HUMPHREY. Why do we not temporarily leave what Russell has in there? He says that that is the thing that they have been trying to get into these.

PRODUCTS DEVELOPED WITH GOVERNMENT FUNDS

Senator HICKENLOOPER. There is only one thing that I think is fair and that ought to be protected. That is, if you invent something or an idea on your own time, completely without Government help, then the Government takes it over and with Government money amplifies it or develops it or something like that. From the point that the Government money begins to go into it or is an aid, or information developed under Government money is an aid, then that ought to be in the public domain.

Senator SYMINGTON. Yes, but it goes beyond that a little bit, does it not?

I used to go through agony on this point, and finally there was only one way we could solve it: namely, that when a man came into our engineering departments, he was assigned everything he was going to do, because, otherwise, he would get something and he would go home and then he would come in with an affidavit he did it on his own time on Sundays, you see. But the idea, the opportunity, the whole thing was because he was working.

So we just had one simple thing.

He just signed this which was a complete release that everything he did, or a complete obligation any way you want to look at it, it would be owned by the company or he would find a job somewhere else.

I think this is especially true in Government work: That nobody should be allowed to do this. If a fellow has something before he comes to work for you, he can make a pre-nuptial. He can sell it.

Senator SPARKMAN. Did not Russell say that this was the same language?

Senator HUMPHREY. That was in NASA.

Senator SYMINGTON. I would sure go for it.

Senator SPARKMAN. Why do we not leave it in and if there are any changes to be made, we can study them later.

Senator HICKENLOOPER. All right.

Senator SPARKMAN. Without objection, section 32 will be accepted and alternate 32 will go out.

What is next?

PREPARING RECOMMENDATIONS

Senator HICKENLOOPER. I have brackets around the words "and directed" in line 5, page 10.

> The Director is authorized and directed to prepare for the President recommendations.

Senator SPARKMAN. Why could you not just say "shall"?

Senator HUMPHREY. That is what I would do.

Senator SYMINGTON. I do not know why it is in there at all. It is sort of like saying the president of the company is authorized and directed——

Senator HUMPHREY. To run the company.

Senator SYMINGTON. That is right.

Senator HUMPHREY. I think John had a pretty good idea. Why do we not just say:

"The Director shall prepare for the President and the Secretary of State"? That is what he is there for. He is only preparing recommendations for the boys to look over.

Senator SYMINGTON. If he was working for me, I would not worry——

Senator SPARKMAN. Strike out "is authorized and directed" and say "shall".

Mr. PINION. Mr. Chairman, that was marked at Carl's insistance, and I think he felt that at least the committee should consider whether the Director or whether they ought to be required to do these things.

Senator SPARKMAN. I think they should. I think "shall" is sufficient. And I particularly like to say "shall prepare recommendations".

Senator SYMINGTON. There is no difference between "authorize," "direct," and "shall," because "shall" is clearer——

Senator SPARKMAN. It is one word as against six.

Senator SYMINGTON. That is right.

Senator SPARKMAN. What is next?

Senator **Humphrey**. The "Coordination" section was cleaned up a good deal and shortened up.

Senator **Symington**. Where is that?

Senator **Hickenlooper**. I have two or three other things.

Senator **Sparkman**. Bourke has something on page 10.

WITH THE APPROVAL OF THE SECRETARY

Senator **Hickenlooper**. Line 10,

> The Director, for the purpose of conducting negotiations concerning disarmament or for the purpose of exercising other authority given him by this Act, may (1) consult, communicate with, or direct the consultation or communication with, representatives of other nations.

I would put in the words there, "may, with the approval of the Secretary".

Senator **Humphrey**. Yes, sir.

Senator **Hickenlooper**. "May, with the approval of the Secretary". I want to avoid a subordinate running off on frolics of his own here.

Senator **Symington**. Where is that?

Senator **Sparkman**. Line 13.

Senator **Hickenlooper**. "May, with the approval of the Secretary".

Senator **Humphrey**. That relates up there to line 4, "under the direction of the Secretary," but I think it is good at this point to repeat that.

Senator **Hickenlooper**. Yes.

Senator **Humphrey**. Right after the word "may," will you repeat that?

Senator **Hickenlooper**. "May, with the approval of the Secretary, (1) consult, and (2) communicate".

Senator **Humphrey**. Good.

Senator **Hickenlooper**. He is doing it with the approval of the Secretary.

THE RIGHT TO DELEGATE

Senator **Sparkman**. Bourke, I have no objection to it, but do you think it is necessary after line 4?

Senator **Symington**. That is my point. You have "directs" and you cut out that word "general".

Senator **Humphrey**. But I think the point Bourke raises here, though, has value.

Senator **Symington**. I will tell you why it might not have value. It might be that you have an Under Secretary of State who would begin to flame up in importance.

[Discussion off the record.]

Senator **Symington**. You took out the word "general". He supervises and directs the guy and perhaps you would want to give him the right to delegate to some extent in the Department. This guy is not the No. 1 Under Secretary in the Department. There has to be a man with a broader scope that just disarmament; that is, the fellow who is in effect, the alter ego, especially when the Secretary is traveling.

This might overtighten it.

Senator **Humphrey**. I have it.

Senator **Symington**. That is my only thought.

[Discussion off the record.]

Senator **Symington**. I would not put it in there.

Senator **Hickenlooper**. This does not say the Secretary has to do it. This is with the approval of the Secretary. In other words, if he consults and communicates——

Senator **Symington**. I do not feel strongly about it.

Senator **Hickenlooper**.

> Consultation with or in communication with representatives of other nations or with international organizations.

Senator **Symington**. If Bourke wants it in, I have no objection.

Senator **Sparkman**. I do not object to it being in, but it seems to me to be repetitious, simply because of line 4.

Senator **Hickenlooper**. I was aware that that line was in there.

Senator **Sparkman**. In other words, that applies to every subsection?

Senator **Humphrey**. That is right.

Senator **Sparkman**. You have already said "under the direction of the Secretary".

Senator **Humphrey**. I think it simplifies it at that.

Senator **Symington**. How can it be more convincing? It is a whole modifying clause.

Senator **Humphrey**. "Under the direction of the Secretary of State".

GIVING DIRECTIONS

Senator **Hickenlooper**. Here is what I think it does from a legal standpoint. The Secretary of State cannot stop this fellow from operating in any of these fields as the language now stands.

He must give the direction; if this fellow wants to do it, he must give the direction. He cannot say no.

Senator **Sparkman**. No. It is just the opposite.

Senator **Symington**. You sure do not understand operations the way I do.

Senator **Sparkman**. He cannot do these things unless the Secretary of State gives permission because it has to be under the direction of the Secretary of State.

Senator **Hickenlooper**. I understand, but I submit that the way that this can be interpreted, that under the way this is written, "under the direction of the Secretary of State the Director" shall do this and so on; in other words, the Director says: "I am going to conduct negotiations; now you direct me how to do it."

Senator **Sparkman**. I do not think so.

Senator **Hickenlooper**. In other words, the Secretary cannot say: "No, you cannot talk to that fellow."

All he can say is how you do it.

Senator **Sparkman**. I do not agree with you on that. I think there is a lot of logic in most of the things you offer, but I do not believe there is in this.

Senator **Symington**. That is right.

All the Secretary of State would have to do would be to say: "Don't do it."

Senator SPARKMAN. That is right. He directs him.

Senator HICKENLOOPER. I admit, if the Secretary says "don't do it," he will not do it from a practical standpoint.

Senator SYMINGTON. Then he could say "don't ever do it without my approval," and then he would never do it without his approval. Otherwise, he could give him $2 and let him listen to a railroad whistle.

Senator HICKENLOOPER. Carl just suggested "under the direction and approval of the Secretary of State".

Mr. MARCY. "Under the direction of and with the approval of".

Senator HUMPHREY. If it is under his direction——

Senator SYMINGTON. I want to cut this guy down, but not as far as you all do. I want to see this agency have dignity.

[Discussion off the record.]

Senator SYMINGTON. May I suggest this:

Change the word "direction" to "supervision"—"Under the supervision of the Secretary of State".

Senator HICKENLOOPER. That is all right.

Senator SPARKMAN. All right.

Then without objection that amendment is agreed to. Let us move on.

What is next?

Senator HICKENLOOPER. You can put "under the supervision and direction".

Senator SYMINGTON. All right, that is a good, honest phrase.

Senator HICKENLOOPER. Does that go into the bureaucratese gobbledygook?

Senator SPARKMAN. "Under the supervision and direction of the Secretary of State the Director" may do this and that and shall do this.

Senator HUMPHREY. That is right, that covers them all.

Mr. MARCY. Is that "with the approval of?"

Senator HUMPHREY. Yes.

Senator SPARKMAN. Say "under the supervision and direction of."

RESPONSIBILITY FOR FINANCIAL OBLIGATIONS

Senator HICKENLOOPER. I have a question about page 11:

"As authorized by law to put into effect, direct or otherwise assume United States responsibility for such systems". I raise the question of whether or not he can assume full responsibility for the financial operation of such systems internationally and without the contribution of other countries, or something of that kind?

Senator HUMPHREY. That would be "as authorized by law." He would only be under the direction and supervision of the Secretary of State.

Senator HICKENLOOPER. I think that probably is true.

Senator HUMPHREY. Then you would have a special protection and it is authorized by law. There would have to be a special act or treaty.

Senator SPARKMAN. What is next?

AGENCY APPEALS TO THE PRESIDENT

Senator **Hickenlooper**. Now, I raise a question, line 2, page 12.

Senator **Symington**. Yes, sir.

Senator **Hickenlooper**. "And to resolve differences of opinion between the agency and such other agencies which cannot be resolved through consultation."

I favor, because this is a new agency and because we do not know where we are going, I would favor a little more positive statement there that the agency or agencies involved in any such dispute could appeal directly to the President for the resolution of such difficulties.

Senator **Humphrey**. That is the purpose of that language.

Senator **Hickenlooper**. I know, but it does not say how it will be done. It just says will provide means.

Senator **Humphrey**. The original bill has some language in it that was a little more specific.

Senator **Symington**. I would like to change the word "agency"; "to resolve the difference of opinion between the Department of State and such other agencies", and then I do not care how you do it.

Otherwise, you are violating your own premise, letting the fellow, in effect, go to the President with these things. It should not be the "agency" there; it should be the "Department of State".

Senator **Hickenlooper**. That is a good idea.

Senator **Symington**. If I may respectfully say so, you very much help the disarmament people when you do that, because you dignify their position in the differences of opinion, instead of some assistant doing it.

Senator **Sparkman**. Let me call your attention to the first part of this section. It starts off by saying:

"The President is authorized to establish procedures" to do two things:

"(1) Assure cooperation, consultation," and so forth; and

"(2) Resolve differences of opinion."

By the way, I believe that No. 2 is unnecessary.

Senator **Symington**. I must say I do not see why you legislate this anyway.

In the first place, the word "coordination" has 50 different meanings. Nobody has ever defined it any more than they have defined the word "directive," whatever that was. That was coined by Lucius Clay, and he cannot define it.

It is like saying the President is authorized to do what he is supposed to do. The President is authorized to establish, this says. Well, of course, he is authorized to establish. If you pass a law, you expect the law to be carried out. I would imagine, when the law is passed, the Secretary of State will have a meeting or two with the various interested agencies, and they will agree, and if there is a disagreement, they go to the President with it.

Senator **Humphrey**. I do think this part on coordination is necessary, Stu, because you are dealing with such important departments of Government, all of which have a status of their own, and unless the President does establish policies and procedures for effective coordination, this thing could get off the track.

You cannot expect the Secretary of State, Mr. Rusk, to face up to Secretary McNamara and the Chairman of AEC and try to settle it.

Senator SYMINGTON. In other words, it should be authorized, then?

RESOLVING DISPUTES

Senator HICKENLOOPER. On this question of resolving disputes, I go back to the Atomic Energy Act. The Military Liaison Committee of the Atomic Energy Commission, where we established the right of either the Commission or the Military Liaison Committee, if they come to a dispute that they are not able to resolve themselves, they can appeal directly to the President and submit the facts, and he makes the decision.

It has worked pretty well. So far as I know, there have only been two appeals in 15 years, two appeals to the President, and they were in the nature of friendly appeals.

There happened to be a disagreement on basic policy and each said: "All right, we will let the President decide."

It was not anything that disrupted either of the groups.

Now, where you have the knowledge that the agency involved can appeal directly to the President for the settlement of an unresolved or an unresolvable dispute, where they have that right of direct appeal to the President, experience, I think, shows that they will hesitate; that they will try to find every means to reconcile their differences before appealing directly to the President; and it will have to be something very fundamental before they appeal to him.

Senator SYMINGTON. Yes, but your situation is unique. In my opinion, it is also anachronistic as far as the current set-up is concerned.

It was done under peculiar conditions and so forth, and you could make the same argument for any two agencies in Government. The Atomic Energy Commission Law has worked well. One reason has been everybody has cooperated; you have had intelligent people in it.

I think it ought to be radically revised, personally, because one of the great problems today is lack of knowledge on the part of the people about what we have and what we have not got, and I think it is hurting us terribly, based on what I find in my State, as regards the confidence in and the backing of the Government's position.

I do think it has worked. I have worked under it. It was one-half of what you are talking about at one time. But I do not think necessarily that because it has worked there, that it is necessary here.

Obviously, if you raise this agency now as a part of the State Department, and the reason that you have a National Security Council, for example, which is nothing but an advisory body to the President, is that you have a place where these differences can come up, or if it is something that is a difference of opinion, it can be worked out without going to the Security Council in front of the President.

Senator HICKENLOOPER. But the Secretary of State has a direct contact with the President.

Senator SYMINGTON. So do the other agencies.

Senator HICKENLOOPER. I am not so sure.

Senator SYMINGTON. They report to him.

Senator SPARKMAN. Bourke, I agree with what both of you say, in effect: That the President has this authority. Nevertheless, I do not think it hurts anything to state it here. It makes it clear that he is expected to set up these procedures. After all, that is all it is.

Mr. MARCY. One of the questions here is, if he resolves the dispute between the Department of State and the agencies, the suggestion that Senator Symington made, that would mean then that the Director could not take any appeal to the President without the approval of the Secretary of State.

Senator HICKENLOOPER. I think the President will set up such machinery as may be necessary. This is nothing that I think is fatal to this bill.

Senator SPARKMAN. I do not think so, no. I do not think it is fatal either in or out.

Senator HICKENLOOPER. I think to ask the President specifically in the law to set up procedures to resolve differences of opinion, I think that is essential.

Senator SPARKMAN. Yes. Cut out that word or that numeral, the preposition "to".

Senator HICKENLOOPER. Why?

Senator SPARKMAN. You have a "2" before the "1".

Senator HICKENLOOPER. Oh, yes, I see it.

Senator SPARKMAN. Now, what else is there?

Mr. MARCY. Did you take that amendment? Did you strike out "agency" and insert "Department of State"?

Senator HICKENLOOPER. Yes.

Senator SYMINGTON. I know that is good from the standpoint of the agency.

Senator SPARKMAN. Yes, I think so, too.

THE TRANSFER OF EQUIPMENT

Senator HICKENLOOPER. Now, what about this, Stu? You have had more experience in this than I have had. In the next one, general authority down there, that is the interchange, that is the transfer of equipment and so on without compensation or without reimbursement. Is that a good provision or is it not? What about that?

Senator SYMINGTON. I am very frank to say I do not know.

Senator HICKENLOOPER. I mean generally in Government.

Senator SYMINGTON. I think so, yes. An agency of this size and character, I would say yes, Bourke.

Senator HICKENLOOPER. I do not know what experience has shown.

Senator SYMINGTON. $6 million is the budget.

Mr. MARCY. It is also, if I may point out, with the consent of the agency concerned.

Senator SPARKMAN. Purely voluntary.

Mr. MARCY. There is a veto.

Senator SPARKMAN. It would be a voluntary contribution.

Senator HICKENLOOPER. I think sometimes agencies have a tendency maybe to transfer stuff and then come in and ask for extra appropriations to replace what they have transferred.

Senator SPARKMAN. I think they used it pretty fully in CIO when it was with old Mutual Security. That is the way they got a lot of new equipment.

USE OF CONSULTANTS

Senator HICKENLOOPER. I have not any comment on the rest of that, then. And down to line 20 on page 13, "Procure services of experts and consultants or organizations thereof," and so on.

I raise the question of the desirability of a limitation on the number of days per year the consultants shall serve. What about that?

Senator SPARKMAN. Did we not put a provision like that in the aid program?

Senator HICKENLOOPER. Yes, we did, I think. There is a great tendency for people to hire these guys, you know: "So and so needs a job".

Senator SPARKMAN. What about this new Government per diem? I thought we had just raised it to $75. I did not know we had gotten up to $100.

Senator HICKENLOOPER. I do not want to limit them unduly. They ought to have reasonable services of consultants and experts. This is the provision on page 13, line 20, which has no limit on the length of time that experts or consultants can be on a per diem basis. I do not know just what yardstick you can use for that, but I think a while back we found that there had been consultants for 3 or 4 years just every day, and it is a racket in some cases.

I did not develop a formula for that language, but I think, if we could put some limitation on there so they cannot, instead of hiring somebody and putting them on the Government payroll, say, "You are a consultant at $100 a day"——

Senator SYMINGTON. $36,000 a year.

Senator HICKENLOOPER. Plus expenses. When they are consultants, they get their expenses.

Senator SYMINGTON. I completely agree with my friend, Senator Hickenlooper, on that, because, if they find out some bad violations of this, it will operate very much against the agency in the minds of people like the dean of my delegation and so forth, from the standpoint of the future over in the House.

I would say not more than a certain amount a year.

REASONABLE LATITUDE TO EMPLOY EXPERTS

Senator HICKENLOOPER. I want reasonable latitude for them to employ experts.

Senator SYMINGTON. How about $15,000 a year?

Senator SPARKMAN. When we start writing anything like that, it tends to become the floor rather than the ceiling, or both the floor and ceiling. Is anybody looking that up?

Mr. MARCY. Here it is. The rate in the Mutual Security Act is $75 per diem, and the relevant sentences are:

Contracts for such employment with such organizations, employment of personnel as experts and consultants not to exceed ten in number, contracts for such employment of retired military personnel with specialized research and development experience not to exceed ten in number, and contracts for such employment of retired military personnel with specialized experience not to exceed five in number may be renewed annually.

That is the same language which you have in the bill here, but they limit the number to 10, 10 and 5 in the various categories.

I may say that an earlier limitation that the committee considered, not in this bill but I believe in the Peace Corps bill, was that it permitted a renewal of such contracts annually of not to exceed 3, 4, 5, or 6, some number that you might want to put in.

Senator SYMINGTON. At the bottom of the page, as Bourke points out, line 20, page 13, you can hire a person for $100 a day, you can give him $36,000 a year.

Senator HICKENLOOPER. Plus his hotel bills, meals and everything else.

LIMITATION ON THE NUMBER OF DAYS

Senator HUMPHREY. We ought to have a limitation on the number of days.

Senator SYMINGTON. That is what I was talking about.

Senator HUMPHREY. I think you ought to write in not more than so many days consecutively or a maximum number of days.

Senator HICKENLOOPER. I would say not more than a maximum number of so many days per year, because if you say consecutively, they can take him for one day and then put him on.

Senator SPARKMAN. I thought we first wrote that into the aid bill.

Senator HUMPHREY. Did we not write that into the aid bill?

Mr. MARCY. That came out.

Senator SPARKMAN. It was changed to numbers rather than a limitation of time.

Senator HUMPHREY. I agree with that. We had quite a discussion about this once before and I thought that was in the aid bill.

Senator HICKENLOOPER. Would you say:

"In the case of individuals not to exceed 100 days in any calendar year."

Senator HUMPHREY. I think that ought to be enough.

Senator HICKENLOOPER. With a qualification something like this:

"Except in exceptional instances where the President may certify as to the continuing need for a specific individual."

Senator SPARKMAN. Yes, that is good.

Senator HUMPHREY. Requiring a Presidential certification.

Senator HICKENLOOPER. I think if you get some man in there who is very good and you might want to keep him on——

Senator HUMPHREY. Not to exceed 100 days.

Senator SPARKMAN. One hundred days in any calendar year.

Senator HUMPHREY. In any calendar year, except where the President certifies that continued employment is essential.

Would that not be about it, Bourke, something along that line?

Senator HICKENLOOPER. Language to show that it is an exceptional case.

Senator HUMPHREY. This must be certified to by the President.

Senator **Hickenlooper**. That is right.

Senator **Humphrey**. If you leave the consultant operation wide open, you can have them all on that one.

Senator **Hickenlooper**. We had illustrations here 3 or 4 years ago where some of these good old Joe buddies were just brought in and just kept on as consultants and they were on month after month after month and all they did was what some Grade 16 or 18 could be doing most of the time.

Senator **Humphrey**. If they need people of an expert nature, they have got enough leeway in the general authorization to take care of them unless they have them for limited periods.

Senator **Sparkman**. You want to leave that per diem at $100?

Senator **Humphrey**. Yes. I think you have to do that for these kinds of people.

Senator **Symington**. I agree.

LIMITATION ON RETIRED MILITARY OFFICERS

Senator **Sparkman**. They have a limitation here of three retired commissioned officers of the Armed Forces, trained in military strategy.

Senator **Humphrey**. Not to exceed three.

Senator **Sparkman**. Yes, not to exceed three.

Mr. **Marcy**. The main thing here is that this permits them, as I understand it, to draw their retired pay as well as whatever they may be compensated. This is rather exceptional. There are instances in the past where exceptions have been made by statute. But, otherwise, without this kind of provision in, I believe they would come under the provisions of dual compensation.

Senator **Williams**. How much will they be paid in addition to their retirement?

Senator **Sparkman**. $100 a day.

Senator **Humphrey**. Up to.

Senator **Sparkman**. No.

Mr. **Marcy**. These would be employed with prior approval.

Senator **Symington**. Let me get this straight now. You would apply whatever they got?

Senator **Hickenlooper**. No. This would be in addition to their retired pay.

Senator **Symington**. I do not think that is right.

Senator **Williams**. If they are disabled, and a good many of the high officers get disability separation, their retired pay is in addition, that is tax exempt.

Mr. **Marcy**. Mr. Chairman, an example would be where, let us say, Mr. Rickover retires and is employed by a private firm. In that case Rickover would continue to draw his Government retirement and his $20,000 or $30,000 from the private firm.

Now, what they are saying here is that the Government could, for up to a maximum of three individuals, operate in exactly the same way. Only the maximum amount that one of these three retired commissioned officers could get under this bill, if he were made, for example, or were given the position as Under Secretary of State, in which case he could get $22,500 plus his retirement pay.

Senator **Williams**. Well, now, if Stuart Symington, Hubert, or anybody else retires and is eligible for retirement benefits and takes an appointment for services downtown, they cannot collect both.

Mr. **Marcy**. That is right.

Senator **Hickenlooper**. This would waive that in the case of three.

Senator **Williams**. I know that.

CONCERN OVER SETTING PRECEDENT

Senator **Hickenlooper**. We have done this in a few cases in specific statutes, as Carl pointed out. In specific statutes we have done it, and I have voted for those statutes where it is a specific individual that some administration says they want for some peculiar reason.

The danger of this thing is in saying that they can do it with three is the camel getting its head under the tent.

Senator **Williams**. I would say let it go and if they come down with a Joe Doakes that we think is of high enough caliber, we can do it specifically in his instance.

Senator **Hickenlooper**. I am willing to vote yes or no on specific individuals, if they come in and say, "Here is Admiral somebody that is highly capable."

Senator **Humphrey**. If they need somebody on this one, they can ask for special authorization.

Senator **Symington**. I could not agree with you more, because you are sure going to fill these jobs if you give it to them.

Senator **Hickenlooper**. The Atomic Energy Commission next is going to come in and say: "You did it for this crowd; now let us take three or four retired people that are good."

Senator **Symington**. Absolutely right.

Senator **Humphrey**. Let us leave it out.

Senator **Sparkman**. There is this point, and it does create a problem. There is a man living two doors from me who is a retired army general. He is chairman of the Board of the Martin Company.

What does he get? I imagine he gets at least $100,000 as chairman of the board, plus all expenses and things of that kind. Yet, he continues to draw his retirement.

Senator **Williams**. That is true, but that same situation is true with you or I or anyone else that goes back in.

Senator **Sparkman**. I realize that.

Senator **Symington**. Two wrongs do not make a right.

Senator **Sparkman**. No. It is a difficult situation. But I agree with Hubert that it is not all important. And if they get somebody that they especially want, they can come up here and ask us.

Senator **Humphrey**. Absolutely. They can come up and ask us for a waiver.

Senator **Sparkman**. Does that mean we eliminate subsection (f)?

Senator **Humphrey**. I think we should. They have enough authority.

Senator **Sparkman**. Without objection that is done. Let us move to the next item.

SOME LEEWAY IN CONTRACTING

Senator **Hickenlooper**. What is the meaning of section 42 on page 15?

Mr. **Marcy**. This is exactly the same language as appears in the Atomic Energy legislation.

Senator **Symington**. But what does it mean? The question is still valid. Two wrongs do not make a right again. I am going to keep on saying that.

Senator **Sparkman**. The former chairman of the committee can tell us.

Senator **Hickenlooper**. I do not know what it means.

Senator **Sparkman**. He wrote that law.

Senator **Hickenlooper**. I worked on it for weeks. I do not know what the meaning of it is.

Senator **Sparkman**. "The President may in advance".

Senator **Humphrey**. This is important as to contract authority.

Senator **Symington**. I would like to move that anything the committee does not understand that they put in the law, that they take it out.

If that is considered harsh, I withdraw the request.

Senator **Hickenlooper**. What I think it means is in new and unexplored fields that they ought to have some leeway to do something without regard to competitive bidding, or something of that kind.

We have done that a lot in the Atomic Energy Act where it is just completely pioneering and nobody would bid on it. They did not know what they were getting into or what the future was.

Senator **Humphrey**. That is exactly what this is about.

Senator **Sparkman**. Is there not some way, though, that that could be tied down with language? You know, I would be willing to trust the President with this thing, but that thing is wide open.

Senator **Symington**. It sounds awfully good to me.

Senator **Humphrey**. It is in the Mutual Security Act now. It is in the Atomic Energy Act.

Senator **Symington**. What does it mean?

Senator **Humphrey**. It merely means that where you are the contract authority, that some of the provisions relating to the solicitation of bids, publishing of notice and what have you can be abrogated.

Senator **Sparkman**. Is that all?

Senator **Humphrey**. That is what they say in this analysis.

Senator **Sparkman**. He can do anything. He can exempt anything under this provision.

Senator **Symington**. I move we take it out. I do not see why it should be in there. You do not have to have that in there. You can negotiate a bid. There are only three kinds of bids. They can do any of those three and the rest of them are generally considered illegal.

COMPARISON TO THE MUTUAL SECURITY ACT

Senator **Humphrey**. The reason you can negotiate a bid is because this kind of law is applicable now.

Senator SYMINGTON. There is nothing like that in the law in the Department of Defense.

Senator HUMPHREY. There is in Mutual Security.

Mr. MARCY. The Mutual Security Act has this language.

Senator SYMINGTON. You know, I only vote for Mutual Security because Senator Humphrey thinks it is right.

Senator HUMPHREY. I think this relates directly to types of contracts——

Senator SYMINGTON. I do not like any part of it.

Senator SPARKMAN. I would be willing to leave it in and explain in the report, and let us make it pretty specific in the report what is meant.

Senator SYMINGTON. Wait a minute, this is a matter of principle. You know, there are a lot of things in the *Bible* and I believe in the *Bible*, but nobody has ever understood it yet. And the fact that it is in this or that Act——

Senator HUMPHREY. But you did not ask that it be deleted from the *Bible*, did you, Stuart?

Senator SYMINGTON. No, sir. The *Bible* is written and this law is not written.

Senator HUMPHREY. You mean you have something to say about this?

Senator SYMINGTON. That is right.

[Discussion off the record.]

NEW AGENCIES STAND AND FALL ON MONEY ISSUES

Senator SYMINGTON. Seriously, "may in advance exempt actions of the agency from the provisions of law relating to contracts or expenditure of government funds," now, why do that? Change the law if the law if not right, but why should this agency be released any more than any other agency should be? I do not think it makes any sense, and I will tell you what it does.

As I have said to Shriver, you are going to stand or fall on the way you come before this committee in a year or two and account for this money. Especially in a new agency where you do not have the brakes of establishment and people with experience behind them, you can run into a lot of trouble with that.

Senator SPARKMAN. What contracting are they going to do anyhow?

Senator HUMPHREY. They contract out studies on research material.

Senator SYMINGTON. A research contract is automatically a cost-plus contract and it is a negotiated contract.

Senator WILLIAMS. Since this is a Senate bill anyway, we could delete it. If it was something that was really essential, they could explain it on the House side, put it in and work it out in conference.

Senator SPARKMAN. All right, without objection section 42 goes out.

Next.

Senator HUMPHREY. You did not mean to delete this from the Atomic Energy Act, too, did you?

Senator **Hickenlooper**. We will get around to them. We have the Atomic Energy Act down now where they cannot move very much except in exceptional cases.

CONFLICT OF INTEREST

Senator **Sparkman**. Has anybody got anything on section 43?

Senator **Hickenlooper**. That is about conflict of interest and so on.

Senator **Humphrey**. I do not see how they get much conflict of interest here.

Senator **Hickenlooper**. Oh, yes, members of the advisory committees, consultants, individuals with outstanding ability employed without compensation, do not have to comply with the Conflict of Interest Act.

Senator **Humphrey**. Because they do not get paid.

Senator **Hickenlooper**. Except those that serve without pay.

Senator **Humphrey**. It says here "employ without compensation".

Senator **Hickenlooper**. And the individuals. There is a section on individuals of outstanding ability employed without compensation. That is a separate section. They are a separate grouping.

That does not refer to the General Advisory Committee. You have got a section authorizing the employment of certain individuals with outstanding ability without compensation.

Senator **Humphrey**. That is right.

Senator **Hickenlooper**. I guess that is all right.

SECURITY SCREENING

Senator **Symington**. I would like to deliver myself of a couple of ill chosen words on that. I do not know too much about this, but I thought Bob Lovett made a very good point on this situation, because every pacifist organization in the country, not just religious organizations, is working like the dickens to see that this bill is passed, and we are going to take the responsibility for passing this bill.

In these pacifist organizations, without getting into any specifics—after all, I think my little discussion of a few years ago shows where I stand on freedom of people to disagree and so forth—you have a tremendous Communist effort, there is not any question in the world about it. You had it in the Swedish peace movement and it was later proved.

And it all plays right into the hands of Mr. Khrushchev. It is his dream world.

Now, if I wanted to infiltrate any organization, with the possible exception of the Joint Chiefs of Staff, I would like to get into a pacifist organization. I do think that we have to bend over backwards to see that the people are adequately and properly screened.

Now, Bourke, this is something you have forgotten more about than I will ever know because of the Atomic Energy Commission.

Senator **Hickenlooper**. I was going to make about the same speech you just made on this particular situation.

Senator **Humphrey**. This language has been tightened up.

Senator **Hickenlooper**. This language is loose as a non-hog tight fence.

Senator **Sparkman**. How would you tighten it?

Senator **Hickenlooper**. It only goes to the question of loyalty, in the first place, and this is the easiest thing to avoid in a security check you ever saw. It ought to also go to the question of security risk.

Senator **Humphrey**. It does. It says:

> The agency shall establish such security requirements, restrictions and safeguards as it deems necessary.

Senator **Hickenlooper**. That is right.

FULL-FIELD INVESTIGATIONS

Senator **Humphrey**. "Conduct full-field background security investigation of all agency's officers, employees, consultants, persons detailed from government agencies and members of the General Advisory Committee."

Senator **Symington**. What is "full-field background investigation"?

Senator **Humphrey**. That is the FBI.

Senator **Hickenlooper**. Not necessarily. "The agency shall arrange."

Senator **Sparkman**. I know, but a full-field investigation, I think, has a pretty definite meaning.

Senator **Symington**. Let me tell you the problem here. I got a bad one in my place, and the reason I got him in once was because the FBI will not investigate a man after you hire him. At least they would not in those days. This is 9 years ago. And it takes a long time to investigate him.

I think it is fair to say that is one of the chief reasons there has been so many complaints about Judges. They want to get a full investigation. Now, if you hire the man, then you cannot go to Edgar Hoover and ask him to investigate him. And sometimes they say, "Well, we will take a chance."

Therefore, I think the law—and we will make a full-field investigation.

And with all due respect to this agency, I do not think that they are capable of making a full-field investigation.

Senator **Hickenlooper**. This agency will have the authority to go into more departments of Government of a sensitive nature than any other agency in Government.

Senator **Symington**. I agree with that.

Senator **Hickenlooper**. They can cut across all lines.

Senator **Humphrey**. You can investigate them from here to kingdom come, as far as I am concerned. I think they ought to be.

Senator **Sparkman**. How would you do this?

Senator **Hickenlooper**. I do not know. I have been thinking about it a little and here is a suggestion. I asked the staff to whip up something here.

In the first place, here is what happens in a lot of Government employment. It is like Senator Symington said a minute ago. They put these people very often on temporary employment subject to investigation, but once they get the temporary employment, then they have all the safeguards of hearings, civil service, this, that and the other thing, and you have the devil's own time getting rid of them.

You have got to prove everything and way beyond. They ought to be investigated first before they are hired. That is No. 1.

SECURITY RISKS

Second, they should be investigated not alone for their loyalty, but they should be investigated to see whether there is any reason to believe that they might be a security risk, and there is a lot of difference between security risk and loyalty.

Senator **HUMPHREY**. I agree.

Senator **HICKENLOOPER**. A person might be a security risk whose every intention at the present time is to be utterly loyal but, because of weaknesses of one kind or another, they make him fair game for somebody that wants to break him down.

Senator **SYMINGTON**. There is no question about it.

Senator **HICKENLOOPER**. And this is a most critical agency that is being set up.

Now, I think that the members of this agency should meet the highest security requirements of any person or any agency in the field in which they deal in that subject matter. Now, that does not mean that the janitor that sweeps out the building has to have the highest rating as somebody who is up at the top who can go over to the Atomic Energy Commission, the military establishment or the CIA and get information.

Senator **SYMINGTON**. It is interesting you should mention that.

If you will yield a minute, one of the worst that we ever caught while I was around the military in this particular field was the janitor. What the heck, if you go in as a charwoman at night, you are in pretty good shape if you really know what you are after. There are not many people around to bother you once you get in.

Senator **HICKENLOOPER**. Well, if that janitor has access to information, there is something wrong in the agency that permits him to have that access.

Senator **SYMINGTON**. Anybody who cheats, there is something wrong. Do not misunderstand me, but it is not very difficult to get some keys and so forth.

Senator **SPARKMAN**. I think we all want full security here and I am very eager to learn what you have in mind.

CLEARANCES

Senator **SYMINGTON**. I think Bourke's idea that the man should have the same kind of clearance from the department that the department has that he is dealing with is a very fine idea.

Senator **SPARKMAN**. I would insist on his having it. Let me ask you this. Take the Atomic Energy Commission. Does it use FBI full-field investigation?

Senator **HICKENLOOPER**. Yes.

Senator **SPARKMAN**. Why could we not incorporate that?

Senator **HUMPHREY**. Does it not also have civil service investigation first?

QUESTIONABLE LOYALTY

Senator **Hickenlooper**. What they do in most agencies now, the Civil Service Commission—of course, the Atomic Energy Commission has its own civil service type of set-up. But they investigate, and if there is anything not establishing the disloyalty or not establishing the security risk, but indicating the possibility or indicating a field of question on security risk or on loyalty, then it is turned over to the FBI for a full-field investigation.

Senator **Humphrey**. That is what this language says.

Senator **Sparkman**. That is exactly what this does.

Senator **Hickenlooper**. No.

Senator **Humphrey**. It says:

"If any full-field background or other personnel security investigation"—let me read that again:

> If any full-field background or other personnel security investigation develops any data reflecting that the individual who is the subject thereof is of questionable loyalty——

Senator **Hickenlooper**. That is it, "questionable loyalty".

Senator **Humphrey**. Then if you add there, then it says:

> * * * the matter shall be referred to the Federal Bureau of Investigation and the results of the investigation shall be furnished to the Director.

Senator **Symington**. All I know is this, gentlemen. When I was in the executive branch, when it came to anything sensitive, with the exception of the Defense Department, I wanted them to have an FBI investigation.

I think the protection of the Congress in setting up of this—perhaps there is some reason against it that I do not know about. This would be a very small agency the way it is written now. I think they ought to have FBI clearance.

Senator **Williams**. Mr. Chairman, just as a suggestion, we are all in complete agreement as to what we want to do. Could we tentatively approve this, subject to Senator Symington and Senator Hickenlooper working out whatever language is necessary?

MORE SENSITIVE THAN NASA OR AEC

Senator **Sparkman**. Let me call your attention to this fact. On a hurried reading this seems to be almost word for word the same as in NASA, and where I say almost word for word, this is in NASA:

"The Administrator may arrange with the Civil Service Commission for the conduct of a background investigation."

This says:

"The agency shall arrange for the conduct."

It does not say with whom it shall be arranged.

Senator **Symington**. I think it ought to say with the FBI.

Senator **Sparkman**. This does not.

Senator **Symington**. I do not care. This is going to be much more sensitive than NASA, very possibly

Senator **Sparkman**. Is it going to be more sensitive than the Atomic Energy Commission?

Senator **Hickenlooper**. In many ways, yes.

Senator **Symington**. I would not know about that.

Senator **Hickenlooper**. In many ways, yes.

Senator **SPARKMAN**. I am perfectly willing to have it with the FBI, except I do not want us to see the FBI—we may get a complaint that we are going to overwork the FBI.

Senator **SYMINGTON**. Let me tell you the kind of thing that runs through my mind.

You cannot have any possible disarmament, which, as I understand it is what we are looking for, without first having arms control. It is just not possible.

Senator **SPARKMAN**. I agree.

Senator **SYMINGTON**. You cannot have a chicken without an egg.

Senator **SPARKMAN**. Nor an egg without a chicken.

Senator **SYMINGTON**. That is right, but in this case it just goes the one way. You cannot have disarmament without arms control.

Now, when you get into the question of arms control, as I see it, you have to get into war plans, and when you get into war plans, you are in the most sensitive area of the Government of the United States.

Senator **SPARKMAN**. All right.

Let us put there:

"The agency shall arrange with the Federal Bureau of Investigation for full-field investigation."

Senator **SYMINGTON**. This should be a great asset.

Senator **HUMPHREY**.

> The agency shall arrange with the Federal Bureau of Investigation for the conduct of a full-field background security investigation. The agency shall also arrange for the conducting of such personnel security investigations, agency's advisory boards,

and so forth, "as it deems appropriate."

Then, starting on line 23, knock that out.

Senator **SPARKMAN**. You would not want to refer it to the FBI. Is that agreeable?

Senator **HICKENLOOPER**. Wait just a minute now.

Senator **HUMPHREY**. It gets right to the point.

Senator **HICKENLOOPER**. I would want to put in there something like this:

"With respect to security risk or loyalty of the individual," because the FBI does not pass on these things. The FBI does not evaluate its investigation at all.

SECURITY AND LOYALTY REQUIREMENTS

Senator **SYMINGTON**. You mean the word "loyalty" in the first line, Bourke, "security and loyalty requirements"?

Senator **HICKENLOOPER**. Wait a minute——

Senator **SPARKMAN**. Does not the term "security requirements" include loyalty?

Senator **HUMPHREY**. Why do we not write "loyalty" in and have no doubt about it?

Senator **HICKENLOOPER**. Loyalty and security risk. Of course, if you can establish, let us say, a prima-facie case of disloyalty against a man, that is obviously a bad thing. But the question of security risk is not a positive thing. It is a matter of judgment, and it is a matter of discretion on the part of the people who administer it.

Senator **Sparkman**. And it may exist without disloyalty.

Senator **Hickenlooper**. Oh, security risk itself is not controlled by loyalty or disloyalty.

Senator **Sparkman**. No.

Senator **Hickenlooper**. A security risk may become disloyal.

Senator **Sparkman**. Yet, it embraces both loyalty and disloyalty.

Senator **Hickenlooper**. A security risk may embrace loyalty. A man may get drunker than all outdoors and babble and talk when he does not really know what he is saying and not realize he is doing it, and when he sobers up, he may want to go out and shoot himself for doing something like that. But he nevertheless is a security risk.

His companionship, his associations, and all those things go into a question of security risk, and not necessarily disloyalty.

Senator **Humphrey**. His habits.

Senator **Hickenlooper**. Yes, his habits and so on. It also includes a man's wife or her husband on the security risk.

Senator **Humphrey**. On line 13:

"The agency shall establish such security and loyalty requirements"—that is where you start out.

HIGHEST DEGREE OF SECURITY

Senator **Hickenlooper**. I think you ought to put this in there. Here is something that the staff wrote up that might be worked in here:

> Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purpose shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the government agency or organization having the highest security restrictions with respect to the persons in such category.

The staff wrote that out.

Senator **Humphrey**. In other words, if a person is going to be working on AEC matters——

Senator **Hickenlooper**. That is right.

Senator **Sparkman**. He has to measure up.

Senator **Hickenlooper**. If he is going to be working on sensitive disarmament matters, he has to have the highest degree of security that is required in that department.

Senator **Symington**. That is what you said 15 minutes ago and I said I thought you were right.

Senator **Hickenlooper**. It is the language and verbiage that I do not know.

Senator **Humphrey**. I could not agree with you more about it.

Senator **Sparkman**. I fully agree.

Senator **Hickenlooper**. Can we let the staff work out language on this security risk along this line?

Senator **Symington**. I have one more point.

Senator **Hickenlooper**. I would like to see them put in there, instead of just saying this on loyalty——

Senator **Humphrey**. And security risk.

Senator **Hickenlooper**. Yes, security risk.

Senator **Sparkman**. Wait, does that use "loyalty" there?

Senator **Hickenlooper**. No, but it is in here.

Senator SPARKMAN. I know, but this would come out.

Senator HICKENLOOPER. You could put in here "standards applicable with respect to the security clearance of persons so far as security risk and loyalty are concerned within any category referred to in this section," or something like that.

Senator SPARKMAN. Is it agreeable to let the staff work that out? That pertains to both sections 44 (a) and (b).

CLEARANCE FOR CONTRACTORS

Senator SYMINGTON. I have another one to submit to you. I put myself as the devil's advocate. And if I read all of this, and this is very fine, then I would look at the next sentence:

> The agency shall also arrange for the conduct of such personnel security investigations of the agency's advisory boards, contractors and subcontractors.

I think the most damaging things that people did not want said that have been said come from contractors. You have got to clear a contractor so that he knows what he is doing. Would it be possible to pass over to the FBI the establishment of rules for people who were on advisory boards and make them be cleared, too?

Do you see what I am trying to get at?

Senator SPARKMAN. Yes, but does that fit in with the FBI work? You said a few minutes ago that the FBI would not evaluate.

Senator HICKENLOOPER. I said that.

Senator SPARKMAN. They select and make available.

Senator SYMINGTON. But you can ask them to look at them before they go on advisory boards. I will tell you this. I am very suspicious of a couple of college professors in the United States. They have a great big following and the best way that they could pass on that information would be to get on one of these advisory boards.

I think, therefore, the advisory boards should be looked at.

Senator HUMPHREY. I agree.

Senator SYMINGTON. You have one rule for an employee, as I read this.

Senator HUMPHREY. No.

Senator SYMINGTON. You leave it up to the agency when it comes to a member of the advisory board, but you do not leave it up to the agency when it comes to an employee.

Senator HUMPHREY. I would have the same thing.

Senator SYMINGTON. That is what I am getting at.

Senator HICKENLOOPER. I would think it would apply right down the line.

Senator HUMPHREY. I could not agree with you more, absolutely.

Senator SPARKMAN. I thought his language applied to the whole subsection.

Senator SYMINGTON. It does not because your next paragraph says:

"The agency shall arrange for the conduct" of this, that and the other, "as it deems appropriate".

So it does not.

Senator SPARKMAN. Yes, but I thought that we were substituting for the whole subsection and the staff was going to draw language along these lines.

Senator HUMPHREY. Just so we have an understanding about that.

AN OPEN GAP IN THE SHIELD

Senator SYMINGTON. Just to be sure, then, you include in there, Carl:

"Advisory boards, contractors, subcontractors, officers, employees, actual or prospective," all that language goes in.

Senator SPARKMAN. That is right.

Senator SYMINGTON. Otherwise, you have a great big open gap in your shield.

Senator SPARKMAN. It is supposed to cover all of section 44(a).

Senator HUMPHREY. And I would like to have in anything that we write up on this, the point that has been raised by both Senator Symington and Senator Hickenlooper about hiring these people and then having the field investigation.

There is no such urgency about this matter that they cannot be investigated before they are brought in.

Senator SYMINGTON. The FBI will not do it any other way. If you hire them, they will not go.

Senator HUMPHREY. You will cover that with consultants by your language.

Senator SYMINGTON. That is right.

Senator HUMPHREY. The old trick before was you could have somebody as a consultant and then you would start the investigation.

Senator SYMINGTON. That is right.

Senator HICKENLOOPER. Prior to the employment or contracting.

Senator SPARKMAN. Yes.

How about subsection (b)?

Mr. MARCY. Could I just try to restate what the committee has decided here, Mr. Chairman, before we go on?

It is our understanding that in line 16 we make a clear statement to the effect that the agency is to arrange with the Federal Bureau of Investigation for the conduct of a full-field background security investigation.

Senator HUMPHREY. Security and loyalty.

Mr. MARCY. Security and loyalty investigation. That that is to extend also to the third sentence beginning on line 20, so it clearly covers the agency's advisory board, contractor, subcontractors, and so forth.

Senator HUMPHREY. Right, and then add what Senator Hickenlooper suggested.

IN ANY EVENT, NOTHING LESS

Senator SPARKMAN. Using the Hickenlooper language as a guide to this. That is the manner in which you are going to write it, as I understand it.

Mr. MARCY. No, I think that is to be added.

Senator HUMPHREY. Then I would have the Hickenlooper language added.

Mr. MARCY. "In any event, nothing less."

And then the third concept, which is not in here yet, the concept that nobody is to go on the payroll until this is finished, or maybe not on the payroll but see any classified material.

Senator SYMINGTON. Certainly not the payroll.

Senator HUMPHREY. I think you can take your time.

Senator HICKENLOOPER. You can say before anybody enters into any employment or under any contractual relationship.

Senator SPARKMAN. Let us make it employment or under contract.

Senator SYMINGTON. I must say on this point, Bob Lovett impressed me many years ago.

EXCHANGE OF INFORMATION

Senator SPARKMAN. Now, how about (b)? What is (b) anyhow?

Senator HICKENLOOPER. Subsection (b) says that any agency can authorize any of its employers, employees or contractors, or anything else, to exchange all kinds of information with this agency and so on.

Senator HUMPHREY. But your amendment takes care of the security requirements under that, Bourke. It cannot be less than what applies to that agency.

Senator HICKENLOOPER. That is right.

Senator SPARKMAN. Is (b) all right, then?

Senator HICKENLOOPER. Let us have them write this up and study it a little bit the next day or something and see how it fits in.

As far as I know, it probably would be all right.

Mr. MARCY. You want to change the word "Director" in that section to "Atomic Energy Commission".

Senator HICKENLOOPER. There is one suggestion about (b), and, that is, it says, line 18—

> Only if the Director has determined in accordance with established personnel security standards of the agency that permitting such individual to have access to such restricted data will not endanger the common defense or security.

The suggestion is made to say:

> Only if the Atomic Energy Commission has determined, and (2) the Atomic Energy Commission finds.

Senator SYMINGTON. Who made the suggestion?

Senator HICKENLOOPER. The staff made it.

Senator SPARKMAN. This all relates to the Atomic Energy Commission.

Senator SYMINGTON. I would buy it.

Senator SPARKMAN. All right, "Director" in each case. It starts off with the Atomic Energy Commission, and then on down, Atomic Energy Commission.

In some way down here it changed over the "Director".

Senator HUMPHREY. This means the Director of this Disarmament Agency, to permit the Director of the Disarmament Agency.

Senator SPARKMAN. Bourke, how about in the line above the word "Director" is used.

Senator HICKENLOOPER. That is all right because there the Director certifies that he believes the information is necessary.

Senator SPARKMAN. Oh, yes, yes.

Senator HUMPHREY. I get your point.

Senator **Hickenlooper**. I will tell you this. I know of instances where the Atomic Energy Commission has been required on occasions to turn information over to certain individuals, and they have told me personally, they say: "He is the last man we want to turn anything over to. We do not trust him as far as we can throw this building."

Senator **Sparkman**. Without objection those changes will be made. Now, can we move on to section 45?

TRANSFERABILITY

Senator **Humphrey**. This is just that transferability.

Senator **Sparkman**. The transferability section.

Senator **Hickenlooper**. This is a section which will raise some question. Lines 7, 8, 9 and 10, that says that the transfer under Executive order of any activities or facilities of any Government agency which relate primarily to disarmament can be made by the President; he has to make a full and complete report to the Congress; and on line 7, page 19, it says:

"The first period of 60 calendar days," and so forth, "without adoption by the Congress of a concurrent resolution stating that the Congress does not favor such transfer".

That means that there must be a concurrent resolution. That is, not the resolution of either House of Congress. And there is no way to avoid a delay in there. I mean if anybody wants to stop this in one of the two Houses of Congress, they can stop it for 60 days.

I just raise that question as to whether or not that is going to be an issue on the floor.

A LIMITATION OF FUNDS

Senator **Symington**. Bourke, if I may say so, it is ancillary and perhaps important, therefore, to the consideration. Is there any limitation of funds here?

Mr. **Marcy**. No, sir.

Senator **Symington**. There should be.

Senator **Humphrey**. That is left to the Appropriations Committee. They have to come in and justify funds.

Senator **Symington**. You ought to have an authorization. There is not any authorization prior to appropriation.

Mr. **Marcy**. There is on the next page.

Senator **Symington**. That is what I asked.

Mr. **Marcy**. There is no limitation.

Senator **Symington**. You ought to say not to exceed so much.

Senator **Humphrey**. The trouble is at this stage, Stuart, there is no way that you can program that.

Senator **Symington**. You can give it and then double it, if you want to be generous.

Senator **Humphrey**. This is not an uncommon procedure. Then they have to come in and justify this by a budget before the Appropriations Committee.

Senator **Symington**. But my point is, you see, after you do that, following Bourke's thought on 2 under 19, they could, in effect, tremendously increase the amount of money that would be requested by transferring stuff that normally would be bought.

Senator **HICKENLOOPER**. Do we have an estimate of what this is going to cost?

Mr. **MARCY**. Six million dollars.

Senator **SPARKMAN**. It seems to me, if they can give a pretty good estimate, it would be better legislating to write it in.

Senator **HICKENLOOPER**. I would favor writing in $10 million.

Senator **SYMINGTON**. Exactly. It is a fine precedent.

A GUESS IN THE DARK

Senator **HUMPHREY**. I will tell you why I would not write in $10 million. This will be looked to as the effort of the Government of the United States in the field of disarmament, and somebody will pick this up and this is a fine propaganda line.

Senator **SPARKMAN**. Listen, Hubert, can they not pick it up from the appropriations?

Senator **HUMPHREY**. It is a whole lot different than writing it into permanent law.

Senator **SYMINGTON**. You want to make it $100 million?

Senator **HUMPHREY**. No.

I think you ought to leave it open as an authorization and let them justify it at least in this first year.

Senator **SYMINGTON**. When you get your appropriation, you are going to have the same problem exactly as you go over the authorization about the amount.

Senator **HUMPHREY**. We are just taking a guess in the dark at this point.

Senator **SYMINGTON**. You are raising it 40 percent. It is more than a guess. It is an estimate. I think it would help clarify a great many things, and anybody who says that that is your total disarmament as against armament, after all, I would hope that every agency in the Government is a disarmament agency, a peace agency, and that, therefore, what this is doing is coordinating all the different agencies.

I think that we could be subject to heavy criticism on the floor unless we have some figure in here as to what this is going to cost.

DEFENSE AUTHORIZATIONS

Senator **HUMPHREY**. Do we have an authorization for our Defense Department each year?

Senator **SYMINGTON**. Yes, sir.

This year for the first time.

Senator **HUMPHREY**. An authorization?

Senator **SYMINGTON**. Yes, sir, the Senate Armed Services Committee this year, it was written into the law for the first time.

Senator **HUMPHREY**. Not to exceed how much? I do not remember passing any such bill.

Senator **SYMINGTON**. We do it individually, item by item. It is automatic. We do not come up with any guess. We come up with an amount of money which this year was $47 billion.

Senator **HUMPHREY**. That went through appropriation?

Senator **SYMINGTON**. It goes through authorization first.

Senator **HUMPHREY**. I never heard of an authorization that was not acted upon by the two Houses of Congress.

Senator SYMINGTON. That is right.

Senator HUMPHREY. We did not act on any authorization.

Senator SYMINGTON. We did this year for the first time.

Senator HUMPHREY. I guess I must have missed that boat. What bill was that?

Senator SYMINGTON. You know so much more about this stuff than I do. I want to check my facts, but I will come back.

Senator HUMPHREY. I do not recall any authorization.

Senator GORE. It is not customary to place a dollar limit on authorization for strictly an administrative agency like this.

Senator SPARKMAN. And in permanent legislation, because even though it may be $6 million this year, it may not be that the second year.

Senator GORE. There is no dollar authorization for the Department of Commerce. We just annually appropriate what is needed.

Senator HUMPHREY. That is right. There is no dollar authorization for the Department of Agriculture or the Department of State. This is in the Department of State.

Mr. MARCY. You do it in the Peace Corps.

Senator GORE. The Peace Corps is a works, a programing, a functioning committee. This is a study, research, consultative, administrative, executive function.

Senator HICKENLOOPER. And development. They have power for development, going into physical things here.

Senator HUMPHREY. But we knocked out the right for them to establish new laboratories.

Senator HICKENLOOPER. That is right.

Senator HUMPHREY. If they do have to, they have to come back and get authorization.

Senator HICKENLOOPER. They can do experimenting and they can use departments and agencies of Government to carry out their experiments.

Senator WILLIAMS. Will this run through the Congress as a separate appropriations bill?

Senator HUMPHREY. It will run through as a separate item.

Senator WILLIAMS. In the State Department. Then why not just change it authorizing them to use whatever funds may be allocated as a part of the State Department?

Senator SPARKMAN. I believe the way this is written up, it will call for a separate appropriation.

Senator WILLIAMS. That is what I was wondering.

EARMARK THE MONEY

Senator HICKENLOOPER. I have a suggestion here that we just cut out section 46 entirely and say over in section 47:

> There are hereby authorized to be appropriated to the Department of State the sum of $10 million to carry out the purposes of this Act.

Senator HUMPHREY. I would buck that strongly for one simple reason. You then have the problem of the transferability of funds which happened once before. A certain amount of money was once set up in the Department of State under the State Department appropriation for disarmament studies, and they found out all at once they needed some help over in Africa.

So they took all the money, the first appropriation, and just shoved it aside. I think you have to earmark this money.

Senator **Sparkman**. Yes.

Senator **Hickenlooper**. It says:

> There is hereby authorized to be appropriated to the Department of State the sum of $10 million to carry out the purposes of this Act.

Now, if they divert it, they are not carrying out the purposes of this act.

Senator **Sparkman**. What is that?

Senator **Symington**. Hubert, we did military construction authorization.

[Discussion off the record.]

THE AMBIGUITY OF A DEPARTMENTAL APPROPRIATION

Senator **Sparkman**. I would not favor that because I think there ought to be a degree of independence left to this agency, even though we have put it under the Secretary of State.

Senator **Humphrey**. Absolutely.

Senator **Sparkman**. The only way now you are going to insure them of the right of operating with any independence whatsoever is by having its own appropriation.

Senator **Hickenlooper**. It is its own appropriation, if you just say this under (b):

> Funds appropriated pursuant to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation, expenditure,

and so forth.

It seems to me that that snubs it right down to this Act.

Senator **Humphrey**. I think that the language that we have here, Bourke, I would rather get down to the specifics of limitation on authorization rather than to cut it up in the ambiguity of a departmental appropriation.

Senator **Williams**. If you strike out on line 7, page 20, "such sums as may be necessary and appropriated," and then it reads, "there are hereby authorized to be appropriated the sum of $10 million to carry out the purposes of this Act"—period.

Senator **Sparkman**. For fiscal 1962.

Senator **Williams**. All right.

Senator **Symington**. You could always come in with a supplemental, if you need it.

Senator **Sparkman**. Not where you have a limitation like that. You would have to come in for an additional authorization.

Senator **Symington**. That is right, in the way of a supplemental.

Senator **Sparkman**. Not a supplemental appropriation.

Senator **Williams**. Ten million dollars is really not 40; it is closer to 50 percent over $6 million. It is giving a wide variation.

Senator **Symington**. May I comment on that.

I think you can go a lot more than 10, if this agency gets rolling.

Senator **Sparkman**. That is my thought. Let us make it $10 million for fiscal year 1962, to remain available until September, and that will give us a chance——

Senator **Hickenlooper**. It is already in here, to remain available.

Senator SPARKMAN. That will give us a chance next year to do just as we do with the Peace Corps, re-examine it when they ask for an additional appropriation.

Senator SYMINGTON. I think you ought to have some figure in here; that is my only point.

Senator HUMPHREY. Could we inquire as to what this would do in terms of plans that Mr. McCloy and others have drawn up relating to this?

Senator WILLIAMS. It would give him more than he says he needs.

Senator SYMINGTON. Forty percent more, more than that.

Senator SPARKMAN. Their statement is in here, a total of $5,950,500 for fiscal year 1962. It says a ceiling of $6 million.

Senator SYMINGTON. It is more than 50 percent more.

Senator SPARKMAN. We are giving nearly 100 percent more.

HOW MUCH IS IT GOING TO COST?

Senator GORE. You are fiddling around with nothing there. You are going to give them what they want. This is an administrative agency and if you want to put it in, I am not going to object, but it is useless.

Senator SYMINGTON. Albert, I do not think I agree with that entirely. Let me present my position on it. A lot of people in my State say:

> What in the name of God do you want a disarmament agency for? Everybody has been talking about an armament agency.
>
> Now, right now, when Khrushchev drops bombs and does all these things, you are talking about a disarmament agency. How much is it going to cost? What is the idea?

Well, this answers one of the big questions. It will not cost but $10 million, and so forth. That is my only point about it. I just hate to start up a new agency.

Senator HUMPHREY. Let us put in $10 million to start it out.

Senator HICKENLOOPER. It is almost twice what they say.

Senator SYMINGTON. I recommend what you say. If anybody outside would like to come in and say what they will do, but they only asked for $6 million and if they are sincere on $6 million, why should they not be willing to take $10 million?

NOT TO EXCEED TEN MILLION DOLLARS

Senator SPARKMAN. Let us change 47 to make it not to exceed $10 million to remain available until spent.

Mr. MARCY. Let me just make it clear.

Senator SPARKMAN. For fiscal year 1962.

Mr. MARCY. If you say "for fiscal 1962," then you are giving them almost twice as much as they asked for; whereas, if you say "$10 million to remain available until spent," that will really cover them for 2 years.

What I am wondering is maybe you want to say $10 million for each fiscal year, not to exceed $10 million. In other words, they will have $10 million this year, $10 million next year. Then whenever they want to increase it, they have to come back.

As it is now, if you——

Senator **Symington**. Why should they not come back?

Mr. **Marcy**. The language which you are using now makes them come back next year. If you are going to make them come back next year, why give them more than they have asked?

Senator **Humphrey**. Because an authorization before the Appropriations Committee, it is just about as good as Confederate money.

Senator **Sparkman**. Let us make it $10 million to remain available until spent.

Senator **Symington**. Do me a favor. If there is anybody representing the agency out there, get them in here and ask them if this would throw the block on them; and, if so, why.

Senator **Sparkman**. Let us wait just a minute and see. Is there any objection to section 48? Any change in it? Any further change in section 47? Then this would wind us up.

Mr. **Marcy**. May I ask this. This is not to the Department of State or to the Secretary, but generally?

Senator **Humphrey**. "There is hereby authorized the sum of $10 million".

TRANSFER OF FUNDS

Mr. **Marcy**. Could I ask one other question, Mr. Chairman. That is this: I was not sure what you did with the second proviso on page 19.

Senator **Humphrey**. You mean on that transfer?

Mr. **Marcy**. That is right.

Senator **Humphrey**. I surely want that concurrent resolution check.

Senator **Sparkman**. Use of funds.

Mr. **Marcy**. In other words, the President's Executive Order transferring funds will go into effect 60 days after, unless Congress by concurrent resolution decides to the contrary.

Senator **Humphrey**. Yes. That gives us a check on it.

Senator **Hickenlooper**. Not much.

Senator **Symington**. I do not mind it if we put in a ceiling on the money.

Senator **Hickenlooper**. You are talking about the concurrent resolution business?

Senator **Symington**. Yes.

Senator **Sparkman**. This is transfer of funds.

Senator **Symington**. I understand, and property.

Senator **Sparkman**. There is one question I would like to ask.

Senator **Hickenlooper**. And activities and facilities.

COMPENSATION FOR DIRECTOR

Senator **Sparkman**. One question I would like to ask. It may be a minor question, but I think it is one that ought to be cleared up. On page 4, line 23, we set the compensation of the Director, who is to be an Under Secretary of State, at $22,500.

Senator **Humphrey**. Yes, sir.

Senator **Sparkman**. Now, we have two Under Secretaries of State at the present time. Bowles gets $22,500; Ball gets $22,000. Now, should we make this $22,500, or should it stay $22,000?

Senator SYMINGTON. That is a good question. I would make it $22,000 flat.

Senator SPARKMAN. I think so, too. And I am told that the only other Under Secretary that draws $22,500 is the Under Secretary of Defense.

Senator SYMINGTON. And he is not an Under Secertary. He is a Deputy Secretary, and the word "Deputy" is used instead of "Under" to emphasize he is not under.

Senator HUMPHREY. What about the NASA Director and so on? I was told they get $22,500. NASA gets $22,500.

Senator SYMINGTON. My point is, I do not think you ought to pay this fellow more than George Ball.

Senator SPARKMAN. That is my thought.

Senator HUMPHREY. The only thing I was considering is:

You want some status for this agency.

Senator SPARKMAN. All right, $22,000 gives him the same level as the people with whom he will be working. Now, remember, Bowles is really the Secretary when the Secretary is not there, and he is the general Under Secretary. Ball is Under Secretary for the Department.

This man will be Under Secretary for a specific department, and the thought just occurs to me that coordination is pretty important.

Senator SYMINGTON. I think, if we are going to talk organization, that John is just as solid as a rock.

COMPARISON TO OTHER AGENCIES

Senator HUMPHREY. Here is the 22.5's on this one, according to Carl: Administrator, National Aeronautics and Space; Federal Aviation Agency; Staff Director, Commission on Civil Rights; two Administrators or other Assistants to the President; Chairman, Atomic Energy Commission; Position Director, Office of Defense Mobilization.

Mr. MARCY. No.

Senator HUMPHREY. Well, that was abolished.

Senator SPARKMAN. All of those are separate agencies, independent agencies.

Senator HUMPHREY. Director of Office of Defense Mobilization.

Senator SPARKMAN. Hubert, this is a $500 penalty for coming under the Department of State.

Senator HUMPHREY. The only reason I mention this, to be very frank with you, Mr. McCloy has spoken to me about this and he is not interested in money. I think we recognize that.

Senator SYMINGTON. Is he taking this job?

Senator HUMPHREY. No, sir.

And he simply said that from the point of view of what he felt was his position in this Government after having worked in this Government, he thought it was important to have it $22,500. Otherwise, he was of the opinion that there would be administrative difficulties.

Senator SYMINGTON. I would not object but I just do not think it would be any good if Ball only gets $22,000. He cannot be bigger than Ball because he only covers one checker of the whole picture.

Ball is about as efficient as anybody over there, and this degrades him and, in effect, puts this guy over him. Everybody looks at salary, but it is a detail with me. Whatever you want to do is all right with me.

Senator **SPARKMAN**. It makes no difference to me. It is only $500 difference.

Senator **HICKENLOOPER**. It is Ball's Iowa background that makes him good.

Mr. **MARCY**. Did you take that to $22,000?

Senator **SPARKMAN**. We are going to ask.

Senator **HUMPHREY**. I want to clear up a point that Stuart asked us about, so when we say $10 million, nobody will say we stuck the pin to it.

Senator **SYMINGTON**. I just think it is a good thing when we go back and people ask about it, and, believe me, my friends are asking me.

QUESTION OF APPROPRIATIONS

Senator **SPARKMAN**. Mr. Fisher, we want to ask you just a couple of things.

We got to talking about the appropriation and there is some feeling on the committee that there ought to be some figure set forth.

Now, we realize that it is being set up as a permanent organization, and it is not supposed to come back year after year. But the thought has been that probably it would be better to make an appropriation authorization of $10 million to remain available until expended.

Then certainly well ahead of that time an additional authorization for such amount as experience may show to be required may be made.

Would that hurt you in any way?

Senator **SYMINGTON**. Mr. Chairman, may I add something to that?

Senator **SPARKMAN**. Yes.

Senator **SYMINGTON**. You are going to have to go before the Appropriations Committee anyway to get the money, and this would simply be an expression of what the cost of the new agency would be.

As I understand it, it is over 50 percent more than the estimate was as to what the agency would cost.

STATEMENT OF ADRIAN S. FISHER, DEPUTY TO THE ADVISER TO THE PRESIDENT ON DISARMAMENT, DEPARTMENT OF STATE

Mr. **FISHER**. Mr. Chairman, purely as a matter of effort, this means two sets of hearings, legislative and appropriative, each year, rather than one, and without going on precedent, this has usually, although not exclusively, it is my understanding, dealt with construction matters like the Armed Forces and the Atomic Energy Commission after they were experienced with 234-5 at Hanford.

Normally, research programs are not set up on this basis. I know the committee is certainly familiar with the pros and cons of this as much, if not more so, than I, so if you would prefer not to have it, I might wish to make a suggestion, however, avoiding the French phrase, there is nothing so permanent as the provisional.

Would it be possible to have a legislative expression roughly like that with the Atomic Energy Commission when it was first started out:

That this would be a limitation for a year, but only for the first year? Other than that, there would be an authorization. And this is to indicate that a new agency is on trial, so to speak.

Senator **Sparkman**. I think that is largely the intent of the committee. In other words, we recognize, and there was something said here comparing it with the Peace Corps, which, even though it was intended to be a permanent agency, we made an annual authorization with the idea that next year they would come back and ask for such amount as they need to carry on.

Probably at that time we will open that up.

LIMITATION OF TEN MILLION

Senator **Symington**. Let me add one point. This year for the first time in the Defense Department we are going beyond construction in authorization, and the only thought that occurred to some of us is that you will have many people who will say: "Good heavens, I thought"—and I have been out in my State so I am speaking from experience—"I thought what we were trying to do was to arm this country, not disarm it."

Now, nothing could be more ridiculous than that but you are getting a great deal of it around.

Mr. **Fisher**. I have already gotten some, Senator.

Senator **Symington**. Right.

And people say: "What is it going to cost," which is generally what you say on anything when you start on any basis, whether it is to fix a window, start an agency, take a trip.

And I would say: "I have got good news for you," that would be my answer. "The limitation, this whole new thing is going to start for a maximum of $10 million."

I just wanted to tell Mr. Fisher that it is in no way an effort to block the agency. If you thought it was, I would not feel strongly about it.

Senator **Humphrey**. Can I just ask this, Mr. Fisher. Will a limitation of $10 million—and this is what Senator Symington, myself and others are interested in—will it for this first year cripple you or cramp you?

Mr. **Fisher**. It will not, no, sir.

Senator **Humphrey**. All right.

PUTTING A DAGGAR INTO THE AGENCY

Now, the second thing is: If that is the case, the members of the committee that have discussed this did not want to put $10 million as a fixed figure, because you may need much more than that the second year. We do not want to limit the activities that you might feel necessary to go into, if you come in and make a justification, and I do not think there is necessarily any desire that each year you would have to come in, but we would like to get some experience under it.

I think that as you advance a new agency, the feeling here—we have had quite a discussion about it with some pros and cons. We have not all started out from the same premise, may I say, on this. The discussion indicated that once a history was established for the agency, this whole matter of authorization could be re-examined.

But we ought to start out with a limitation, if the limitation was not going to cripple.

And Senator Symington said: "Look, I want to find out, if we are putting a $10 million limitation, whether or not this means you are putting a daggar into the agency because, if it is, I do not want to do it." Is that not right, Stuart? And that is my feeling.

Senator Gore. You should be happy to get your agency started with $10 million.

Mr. Fisher. In fairness, my answer, Senator Gore, was that I could not say it would cripple.

Senator Sparkman. Let me make this suggestion: That we take it in this form. In the meantime, you can study it. It has to go before the House yet, and if you find any great objection to it, you can present it to the House committee and we will have a chance to work out a suitable arrangement in conference.

But if this will not cripple you, I would suggest that you not complain.

Senator Symington. To the man on the floor who says, "How much will this cost," it can be answered. No. 2, and I think this came from the other side of the aisle, this is over 50 percent more than they asked for in their estimate.

PAY OF THE DIRECTOR

Senator Sparkman. There is one other item I hoped to ask you about. I raised the point as to the pay of the Director, and call attention to the fact that he is now under this act made Under Secretary of State and that we have two Under Secretaries of State, one of whom, the general Under Secretary of State, draws $22,500, and the other one, who is Under Secretary of State for Economic Affairs, draws $22,000.

Now, do we not have an Under Secretary of State for Political Affairs?

Mr. Fisher. No, sir, there is a Deputy Under Secretary for Political Affairs.

Senator Sparkman. All right.

And the committee felt that it might like to ask you if you had any particular comment on that. May I say to you this:

I do not mind saying to you ahead of time that my own feeling was that since this was drawn into the Department of State, it becomes a part of the State Department set-up.

And I felt that the two Under Secretaries of State who were not the general Under Secretary of State ought to draw the same salary.

Now, our attention was called to the fact that the heads of several agencies draw $22,500, but I believe that in each instance it was an independent agency, and I said this is a $500 penalty we pay for coming into the Department of State.

DEPARTMENTAL LAYERING

Mr. **Fisher**. Mr. Chairman, I would like to urge that you retain the existing figure. The people that this Director will be dealing with, the Under Secretary for Disarmament, will be the following:

The Chairman of the AEC; in increasing degree later on NASA, as one talks about this; the Secretary of State; and the Secretary of Defense.

Now, once you have made the decision that this man is under the Secretary of State, that puts him subordinate to the Secretary of State and that settles that, and no one is attempting to change that.

That decision was made a long time ago that that was the best way to put it.

But the second you start the process of departmental layering and put him as a subordinate in pay to the lowest paid of the people that he normally deals with, it seems to me you have downgraded this just a little bit more. I think in so doing, with the whole problem of the morale and esprit of the agency, have put it just a little bit or one more step on sort of a bureaucratic downgrading like the type of rather confused arrangement that exists now, rather than what we thought was the step necessary to get this thing going on a reasonably good footing and on a sound basis with adequate scientific personnel.

So, to the extent that I have any ability to persuade this committee, I should like to urge them not to regard this as a comparable matter with the others. I do not wish to speak against the Under Secretary for Economic Affairs, a man of great abilities and—this is irrelevant—a long-time personal friend.

Senator **Hickenlooper**. Who will go first through the door?

I mean who will step aside?

Senator **Sparkman**. You mean if it is a revolving door?

Senator **Hickenlooper**. Yes.

Mr. **Fisher**. I am not much of a fellow on protocol matters, but, generally speaking, there is a tendency to raise whether a person is of Cabinet rank or sub-Cabinet rank by how much he makes. So I would strongly urge that he be considered on the same basis as most of his colleagues, the people he will be normally dealing with.

Senator **Symington**. He will be making less on any basis than the Secretary of State.

Mr. **Fisher**. That is correct and that is inevitable.

Senator **Symington**. So that is not comparable.

Mr. Chairman, based on what Mr. Fisher has said, I would hope we could introduce a bill next year to increase Mr. Ball to $22,500 and carry this new man at $22,500 today.

Senator **Sparkman**. Is there anything else?

Thank you.

RESOLUTION OF DISAPPROVAL

Senator **Hickenlooper**. There is one more thing and that is the question of this resolution of disapproval. I just want to suggest that during the 60-day period of submission there—that is on line 8, page 19, or line 7—the first period of 60 calendar days of regular session of the Congress following the date of receipt of such report by the Congress, if it has expired without the adoption by either the Senate or the House of Representatives of a resolution stating that such body does not favor such transfer, that puts it in the same situation as your Reorganization Act.

And I think if one body feels strongly about the thing, that they ought to have a right to express that.

Senator **SPARKMAN**. Well, this is that, is it not?

Senator **HICKENLOOPER**. No, it has to be concurrent. It has to go through both bodies the way it is written now. What I am suggesting is that if either body passes a resolution of disapproval, it is in the same pattern as the other Reorganization Act——

Senator **HUMPHREY**. I think, Bourke, this may save some trouble.

Senator **HICKENLOOPER**. I think it will. I think unless there is something definitely objectionable——

Senator **HUMPHREY**. That is what I mean. Then it does not place it different than other reorganization acts. Let us revise that.

The staff knows how to do that. Just do it like we do under the Reorganization Act.

Senator **SPARKMAN**. Is that understood?

Without objection that will be done.

Senator **HICKENLOOPER**. How about the appropriation, have we settled that?

Senator **HUMPHREY**. Yes, ten million.

SECURITY REQUIREMENTS

Senator **SPARKMAN**. The only thing we have got unsettled is the security requirements, sections 44 (a) and (b), and they are going to work on that.

Senator **HUMPHREY**. And may I suggest that after they work it out, if this is agreeable, that Bourke and the chairman, you, John, look it over with Stuart, if that subcommittee of three would look it over, would that be agreeable? Have the subcommittee of three look it over?

Senator **WILLIAMS**. Whatever they agree on is okay.

Senator **HICKENLOOPER**. I would like to do this, too. Scoop Jackson is very much interested in this. He raised the issue along with others. I would like to come talk to him about it, because if he is satisfied with it——

Senator **HUMPHREY**. You mean on the security business?

Senator **HICKENLOOPER**. Yes. He raised this question.

Senator **HUMPHREY**. If this subcommittee of three works that out, why, if you cannot keep the Communists and fellow travelers out of there——

Senator **SPARKMAN**. We are going to have a meeting of the committee at 10:30 in the morning. It will be an open session on those treaties. Could we meet at 10 o'clock and finish this?

Senator **HUMPHREY**. We can recommend this now to the full committee, can we not?

Senator **HICKENLOOPER**. Let us not do it right now and have the word go out that we have necessarily adopted this. We can do it tomorrow just as well.

Senator **Sparkman**. Is it agreeable that we meet in executive session at 10 o'clock to finish this, and then 10:30 for the hearings on the treaties? It is going to be in this room.

Mr. **Marcy**. Yes, sir.

If you want to do that, we should be authorized to tell people to be sure and come for a final vote on the bill.

Senator **Humphrey**. The point that I want to get at, we have worked on this a long time.

Senator **Sparkman**. We have it finished except that one thing.

Senator **Humphrey**. What I am getting at, if we have got to go through this bill page after page after page again tomorrow——

Senator **Hickenlooper**. We do not have to. As I say, I do not know, we have done this on several things. Four or five have come here and then a whole bunch have come in wanting to go all through it again.

POINTS OF CLARIFICATION

Mr. **Marcy**. Mr. Chairman, will you check one other point? For one thing, where it says:

"The Director may establish within the agency such staff bureaus, offices", and so on, "as he may determine to be necessary to discharge his responsibilities," and so forth. I only flag you as to whether you want the Director to be able to establish these or with the approval of the Secretary of State?

Senator **Humphrey**. With the approval of the Secretary of State or under the direction——

Senator **Hickenlooper**. Where is that?

Mr. **Marcy**. Page 5, line 18, Senator.

Senator **Humphrey**. Just have it, "The Director under the supervision and direction"—that same language that we had on the other things that he can do.

Senator **Hickenlooper**. That is right.

Senator **Sparkman**. Yes.

Mr. **Marcy**. And one other, where we limited the period of time that consultants can be brought in. Would you also want to apply that same limitation to the advisory boards which are covered on pages 14 and 15?

Senator **Humphrey**. No.

Mr. **Marcy**. They can get the same pay. In other words, the Director can establish advisory boards to advise whether to make recommendations to the agency. They may receive compensations and reimbursements as specified——

Senator **Hickenlooper**. I would suggest on the advisory boards which may have to be called in here and there that we express in the report the idea this should not be a continuing operation and it should only be done periodically when the need for it occurs.

Senator **Sparkman**. All right.

We stand adjourned until 10 o'clock in the morning in executive session, and open session at 10:30.

[Whereupon, at 5:30 p.m., the hearing adjourned, to reconvene at 10 a.m., Wednesday, September 6, 1961.]

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY (MARK-UP)[1]

WEDNESDAY, SEPTEMBER 6, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to recess, at 10 a.m., in room F-53, U.S. Capitol Building, Hon. John J. Sparkman presiding.

Present: Senators Sparkman, Humphrey, Morse, Long of Louisiana, Gore, Lausche, Church, Symington, Wiley, Hickenlooper, Aiken, and Williams.

Also present: Dwight J. Pinion, Assistant Counsel, office of the Legislative Counsel; Mr. Marcy, Miss Hansen and Mr. St. Claire of the committee staff.

Senator SPARKMAN. All right.

On page 20 there was some question yesterday afternoon—and I think maybe we could—Senator Hickenlooper was here at the time—he may have something to say about this. But we can consider it anyhow.

ADVERTISING FOR BIDS

Look at old section 43, which has been canceled out. You will find in front of you a proposed redraft.

Mr. MARCY. We will have to renumber everything if the committee adopts this.

Senator SPARKMAN. This is the new language.

> The agency may make arrangements for research, development and other studies pursuant to Section 31 without regard to the provisions of section 307(9) of the revised statutes on certification by the director that such action is necessary to carry out the purposes of section 31 or upon a showing that advertising is not reasonably practicable and may make partial and advance payments upon such arrangements.

We object to section 43 as it was written. It is incorporated in other laws—in the Atomic Energy Commission, and in NASA. But at the same time, we felt there was no necessity of having it wide open. But we did say if we had some way of limiting it—and that is what the staff has sought to do by the redraft before you.

Mr. MARCY. This was drafted by the executive branch.

Senator SPARKMAN. To meet that objection.

Senator WILEY. This takes the place of old section 43.

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[1] See Appendix B, page 679.

Senator HUMPHREY. That is right. And it ties it down much tighter than any of the other agencies have. It is where you don't need competitive bidding on a type of research contract.

Senator WILEY. Someone tell me what section 307(9) refers to.

Senator HUMPHREY. That is advertising for bids on a particular project and competitive bidding. If this was for an airplane or a truck you would want competitive bidding. But if you are going to ask, for example, the Rand Corporation, that does these defense and disarmament studies, to do a study for you, you would want to contract it out, and you would not need competitive bidding, because there would not be anybody to really compete with.

Senator LAUSCHE. I think you have unique situations in this operation that would require you to dispense with this public bidding on occasion.

Why have you on page 15, section 41, removed from the authorizing language the words "with the consent of the Secretary of State, in the performance of its functions, the agency is authorized to." And you eliminate the direction of the Secretary of State.

Senator SPARKMAN. As the bill was originally drafted, it was to be an outside agency.

Senator LAUSCHE. That does mean implicit in these words I have read as "under the direction of the Secretary of State."

Senator SPARKMAN. Yes—because we put him under the Secretary of State for everything.

Senator LAUSCHE. You make him an Under Secretary of State.

Senator SPARKMAN. That is right. Look at section 21, page 5.

> There is hereby established, within the Department of State, an agency to be known as the United States Disarmament Agency. Section 22. The Agency shall be under the direction of an Under Secretary of State for Disarmament, who shall serve as principal adviser to the Secretary of State and the President on disarmament matters.

Senator LAUSCHE. Well then there is no question that operating under section 41, he is still subject to the direction and control——

Senator SPARKMAN. Go down to the bottom of page 5. Look at that last sentence.

> In carrying out his duties under this act, the Under Secretary of State for Disarmament shall, under the supervision and direction of the Secretary of State——

Senator HUMPHREY. And it was decided, Frank, as a result of that general directive that we could simplify the bill.

ENCOURAGE PIRATING OF OTHER AGENCIES

Senator LAUSCHE. Now, then, going to page 16, you allow this agency to draft from other Federal agencies professional personnel, and that they may compensate them at a salary in one instance not in excess of $500 of the compensation now or hereafter fixed by law or grade 18." I am reading from line 12, page 16. And that two of them may not be compensated at the annual rates not more than $1,500 in excess of that now or hereafter fixed by law for grade 18. Don't you encourage pirating by fixing higher salaries in this service than you do in the general service?

Senator SPARKMAN. Well, Frank, you find nearly all agenices have a limited number of these—what do they call them—supergrades. That is what this is. This gives a limited number of supergrades. In other words, it gives them a chance to get 20 at not more than $500 additional compensation, and only two of not more than $1,500. It is a limited number. And a very small number, too. And nearly every new agency in starting out feels the need of some supergrades, in order that they may attract special personnel.

Senator HUMPHREY. I asked McCloy a question about this matter. And he said that there were in these established agencies in Government people that they defintely needed, but if they were to give them the responsibilities that they would have to assign them to this agency, they would have to be able to pay them a little bit more than just the established grade. So they become actually supervisory positions. As Senator Sparkman has said, this is a matter that each of these agencies ask for, supergrades—as we did in ICA, as we have done in every one of the organizations. And they limited this to three, I think. Well, two at $1,500. That is the two super—the big ones.

Senator WILEY. Mr. Chairman, I want to present a question that was propounded to me just the other day.

Senator SPARKMAN. Will you hold it just a moment, Frank, you said they had the right to draft. It is with the consent of the agency. In other words, they can only get personnel from another agency with the consent of the other agency itself.

Senator LAUSCHE. It is a little matter, but I find myself being pirated of my staff all the time. And I feel like getting a machine gun and starting to shoot.

Senator SPARKMAN. But this has to be with agreement.

Senator LAUSCHE. I get a young girl in there and get her trained to do the work, and they pirate her.

Senator SPARKMAN. You know the standing joke in my office, that the FBI is a training ground for my office staff.

Senator HUMPHREY. You pirate from the FBI?

Senator SPARKMAN. No, they come to me and say "I would like to have a job." And of course if they have been working for the FBI, it is a pretty good recommendation.

AGENCY MIGHT ACT AS A SOPORIFIC

Senator WILEY. I started to say that the other day someone suggested to me this question. And I want my friend from Minnesota to pay attention. He said after the First World War we were sort of innoculated with the idea that peace was around the corner and we could disarm, and dismember, and we did. We sunk our ships. We demobilized our army. And, he said, after the Second World War we carried on somewhat in the same fashion, but not to that extent. Now, he said, what is the difference between the world situation now and as it was then, particularly the mentalities of the people. Or, as was brought out so well this morning in our little breakfast group, that the religious attitudes had diminished instead of increased.

He said are we setting up an agency that would operate as a soporific upon the people of this country, thinking that we have some kind of a miracle organization that can bring about peace and disarmament.

After hearing David Lawrence this morning in the breakfast group, I recalled this situation.

My name is on this bill. I am in favor of it. But I am not in favor of providing a sleeping pill so that——

Senator **Lausche**. You are not in favor of doing what?

Senator **Wiley**. Providing a sleeping pill for the people. And a good many of them are thinking that way.

I am not going to cite instances, but you probably heard Hickenlooper speak the other day about the impact of the church. I have had similar instances. I had to talk to a fellow the other day that was just filled with the notion that here we were bringing about a miracle working outfit. He was a preacher.

I bring this up because I think our responsibility is tremendous. Some of you fellows that do the talking on the floor must stress this point. Otherwise we get to the situation where folks think that we have done something now that is going to bring about the millennium.

Senator **Lausche**. In the markup book, you have this gentleman who is attempting to tell us how to run this thing. That is, there is, Alec, this grave danger that they are going to put us to sleep about the need of maintaining our security under the constant talking of disarmament, disarmament, and disarmament.

Pardon me for interrupting you.

Senator **Wiley**. That is all right. I am thinking particularly of Humphrey, who is recognized as the father of this fine idea. I made this remark especially for his benefit, because I feel when he talks on the floor of the Senate, he can do a tremendous job with his versatility of expression, and his ability to put things over.

NEED TO BE REALISTIC

In other words, alert the people that this is but another attempt in the long run of history, where men have dreamed dreams and seen visions and thought that they had something now that would mean peace. Until the human mind has been cleansed, until it can feel the impact of loving thy neighbor as thy self—that means the human mind of all peoples—until that is done, then we cannot afford to be put asleep, as this fellow said.

Senator **Sparkman**. Well, Alec, let me say that I agree with you completely. I think we have to be quite realistic about this. And furthermore, I believe that perhaps a lot of people out over the country are going to be disillusioned in a year or two, because they think it is going to produce miracles overnight. And it is not going to do it overnight. We have got to go into this thing inch by inch. It is going to be a long, tortuous route before it is accomplished.

Senator **Humphrey**. Well, Alec, it appears to me that the purpose or the reason for this legislation is, as one of the witnesses said—I think it was General [Alfred M.] Gruenther—he said the arms control disarmament field is the other side of the defense coin, that we ought not kid ourselves, and nobody does kid themselves into believing that this bill provides any answer, or any quick and easy solution. This is merely a mechanism to advise and counsel the people that have responsibility, that deal in this subject, so that they are more intelligent, more able, better backed up by facts and information.

It in no way should be interpreted as a panacea for the ills of the world. I agree thoroughly with you. This whole matter of what is confronting this world is essentially a moral and spiritual problem, and maybe not subject to these political twists and turns that we seek. But this is a way of better preparing one to deal with our adversaries, and to deal with these problems. And this will be made manifestly clear.

NORMAN THOMAS' RECOMMENDATIONS

Senator **Lausche**. Carl, except for page 3, does Norman Thomas' recommendations appear any other place in this markup?

Mr. **Marcy**. No sir. This is the only reference to it, yes sir. That is the only place.

Senator **Lausche**. Have we had any communications from him on this subject?

Mr. **Marcy**. Well, he appeared before the committee and testified in support of the bill.

Senator **Lausche**. Have we had any communications from the Communist organizations of the country on it?

Mr. **Marcy**. I don't believe so. None from any Communist group.

WAVING PROVISIONS ON PROCUREMENT

Senator **Sparkman**. I wonder if we might consider this. You remember one of the last things we considered yesterday afternoon was that old section 43, was it not?

Mr. **Marcy**. Yes sir, it is on page 20.

Senator **Sparkman**. On page 20 of the bill—the one relating to waiving provisions of law for procurement, contracting and so forth. The committee did not feel it wanted to leave it wide open. Now here is one with, I think, the kind of restrictions that we talked about.

Senator **Hickenlooper**. These are not restrictions at all. I read it.

Senator **Sparkman**. Well, not restrictions, except that it requires a certification by the director. In other words, it does require an affirmative statement on his part.

Senator **Hickenlooper**. That such action is necessary to carry out the purposes—showing that advertising is not reasonably practicable.

I think that the Government ought to operate on competitive bidding in all cases except where we are completely pioneering in an unknown field.

Where we are completely pioneering an unknown field of economic operations, where there is no data, no statistics, and no cost figures to go on. This does not limit them to that.

Senator **Sparkman**. Would you rather just leave the section out, than to have this in it?

Senator **Hickenlooper**. Basically I don't resist the idea that you do not have to advertise for bids on something where you don't know what you are doing.

Senator **Sparkman**. On a research job.

Senator **Hickenlooper**. On a research job of some kind—there is no way you can figure that. But I think this is a little too loose, is all. And it is very convenient, I have found, for directors and heads of agencies to say "Well, it is not very convenient to do this. I would rather deal with Joe Doakes that I knew down in Guam or some place, and we will certify that we will just do it on negotiations."

Senator **Sparkman**. Well, what would you suggest?

Senator **Lausche**. Well, Bourke, undoubtedly, there must be some specimen of what is used to deal with a particular type of situation.

Senator **Hickenlooper**. We have it in the armed forces, we have it in the Atomic Energy Commission, and so on.

Senator **Lausche**. What is in the Atomic Energy Commission?

Senator **Hickenlooper**. I do not know. I have not looked it up. I want to let them go into things that are unknown, but I do not want to give them free lance just for convenience.

Senator **Sparkman**. Do we have this contracting provision in the Atomic Energy Commission? I understood that the original section 43 is what you had in the Atomic Energy Commission.

Senator **Hickenlooper**. Well, I think it is in there, and I do not like it.

Senator **Sparkman**. Well, 42 is a modification. Can you modify it further?

Senator **Hickenlooper**. I don't know.

TO EXEMPT FROM ADVERTISING

Senator **Lausche**. Section 43 as it is written gives the President the right in advance to exempt from advertising.

Senator **Sparkman**. That is exactly the wording of the provision in the Atomic Energy Commission.

Senator **Hickenlooper**. There are a lot of things where you don't want to give publicity to it. You do not want it advertised.

Senator **Sparkman**. Do you want me to read the provision from the Atomic Energy?

Senator **Lausche**. I have it before me in 43.

Senator **Sparkman**.

> The President may in advance exempt any specific action of the Commission in a particular matter from the provisions of law relating to contracts whenever he determines that such action is essential and in the interest of the common defense and security.

It is not exactly the same.

Senator **Lausche**. It is a little bit different.

Senator **Sparkman**. Yes, a little bit.

Senator **Lausche**. I think it is really better than what you have in here.

Senator **Sparkman**. Well, it requires—this requires a finding by the President. This ties it to disarmament, whereas this other ties it——

Senator **Lausche**. To security.

Senator **Sparkman**. Yes.

Senator **Hickenlooper**. Could you put in there national disarmament and security?

Senator **Sparkman**. Yes. Why could we not say "and is in the interest of national security." or "is essential in the interest of the United States disarmament policy and security."

Senator **Lausche**. Disarmament and security policy.

Senator **Hickenlooper**. We might look at that.

Senator **Lausche**. I really believe that 43, as it is written, and which has been stricken, is stronger than this proposed amendment.

Senator **Hickenlooper**. Put in the words "and security" after disarmament.

Senator **Sparkman**. All right.

Now, Bourke, have you looked at the security requirements?

Senator **Hickenlooper**. Yes I have.

Senator **Sparkman**. That is on page 22.

TOO INCLUSIVE IN RESTRICTIONS

Senator **Hickenlooper**. I think that this is not quite adequate.

Senator **Sparkman**. In what respect?

Senator **Hickenlooper**. Well, it raised a question in my mind as to whether this may be too all inclusive so far as personnel is concerned in its restrictions. The last sentence probably saves it.

Senator **Lausche**. The last sentence of what?

Senator **Sparkman**. Beginning on line 24, page 22.

Senator **Hickenlooper**. Is it printed here?

Mr. **Marcy**. It is printed, yes sir.

Senator **Hickenlooper**. I do not like the first sentence.

> The agency shall establish such security and loyalty requirements, restrictions and safeguards, as it deems necessary in the interest of national security.

I do not believe it should be left entirely—I think we should write the standards a little bit more carefully than just put it up to their discretion, because various agency heads may have different ideas. However, again, the last paragraph has some saving.

But I think this. That there ought to be a provision in here that in the event any investigation discloses derogatory information indicating that the person investigated may be a security risk, or of doubtful loyalty, that such investigation file shall be turned over to the security department of the State Department for final determination.

Then after the word "agency," in line 24, on page 22, add the words, so it will read this way—beginning line 22. "Until he shall have been investigated in accordance with this subsection, and the report of such investigation made to the agency, and the head of the agency" —and this is the insert—"and the head of the agency shall have determined that such person is not a security risk or of doubtful loyalty." Make an affirmative finding.

Senator **Morse**. Mr. Chairman, I see no possible objections to those proposals.

THE MOST HIGHLY SENSITIVE AGENCY

Senator **Hickenlooper**. The reason I am concerned about the security end—I talked to Senator Jackson this morning who has been interested in this for years, in the security end—that this can be in a way the most highly sensitive agency in the United States Government, because it has the right to dip into every agency having to do with national security, cut across lines.

Senator LAUSCHE. You are going to have a lot of ministers and Quakers and others, who by good purpose, will be advocating this over and above everything else.

Senator MORSE. But it does not make them bad security risks.

Senator LAUSCHE. No. But I mean——

Senator MORSE. What Bourke has in here is language that I think protects us from people that might be bad security risks.

Senator LAUSCHE. He says it will be the most sensitive agency.

Senator SPARKMAN. Let us have you read that again, Bourke. After the word "agency," on line 24.

Senator HICKENLOOPER. Insert the words "and the head of the agency shall have determined that such person is not a security risk or of doubtful loyalty."

Senator SPARKMAN. I see. Instead of head of the agency, would you use the term "Director"?

A REPOSITORY OF SECRET INFORMATION

Senator HICKENLOOPER. I would like to have at that point a sentence to the effect—I do not have it written out—that in event investigation shows that any person may be an actual or potential security risk, or may be of doubtful loyalty, said investigation shall be referred to the security department of the State Department for final determination, or whatever the proper name is.

The only reason I think we ought to be very careful about this is we are setting up this agency that can go to the Department of Defense and demand any secret information they want in developing their specialized recommendations. They can go to the Atomic Energy Commission. They can go to any agency. And it will be a repository of information that is probably contained in no other place except in the Presidential office of the United States.

Senator SPARKMAN. Well, Bourke, let me ask you just this question. You say made to the agency, and the head of such agency. Do you mean the Director, or do you mean the Secretary of State shall make this finding.

Senator MORSE. He means the Director of this agency, and then from him it goes to the State security.

Senator HICKENLOOPER. I meant the Director of the agency.

Senator SPARKMAN. "Director" would go in there, and then would come the separate sentence which would say that in the event the Director found that——

Senator HICKENLOOPER. No—in the event such investigation discloses——

Senator HUMPHREY. Certain derogatory information——

Senator HICKENLOOPER. Derogatory information which indicates that the person might be or become a security risk, or might be of doubtful loyalty, then it shall be referred.

Senator MORSE. I move the adoption of the Senator from Iowa's——

Senator HICKENLOOPER. We do that on other things.

Senator **Morse**. I move the adoption of the Senator from Iowa's proposal.

DEROGATORY INFORMATION

Senator **Gore**. Just a moment. Derogatory information—is this an accepted definition of derogatory information?

Senator **Hickenlooper**. No. It is a question of evaluation.

Senator **Morse**. Would you not say derogatory information reflecting upon his loyalty?

Senator **Hickenlooper**. Derogatory information comes in various categories, from various sources. You can list many things that are derogatory. A fellow that is a drunk, a fellow that is known to be loose-tongued, careless in the past about what he has said, who he has talked to, a fellow that has personal habits that are very questionable and lend themselves to possible subversive influences, derogatory information—a fellow that has written bad checks. It is a question of evaluation as to the degree that that derogatory information might have upon his being a security risk.

Senator **Lausche**. I think Klein is a good example, of where he gave false information.[2] He has been highly discussed. He holds a high security position. And the records show that he gave a misstatement about the college from which he graduated.

Senator **Hickenlooper**. That might be explained away.

Senator **Lausche**. I mean that it may be explained away.

Senator **Hickenlooper**. But if he gave three or four lines in his PSQ, you begin to wonder about his truth.

Senator **Lausche**. I would not disqualify him on that. But that raises some question.

Senator **Hickenlooper**. It then becomes a question of evaluation, as to whether the cumulative information is such that it says that this fellow may be a security risk.

Senator **Gore**. The reason I raise the question—if you put into the act that a man must be free—his files must be free of derogatory information. I doubt if the file on any of us is free of derogatory information.

Senator **Hickenlooper**. I do not say that. If the analysis of the file shows that he may be or may become a security risk, and that is a matter of judgment——

Senator **Gore**. Well, this "may become."

Senator **Hickenlooper**. Well, a security risk is not necessarily disloyal, nor has he necessarily done anything. But are his characteristics such that he has weaknesses which will lend themselves to susceptibility. A fellow may have a habit of going out on Friday and Saturday nights and getting drunker than a goat, and talking. You may not have any information that that fellow has ever given away any secrets. But the wrong people can get hold of him, and realizing that weakness, can play upon it, and he may become a definite security risk, because he may babble in his cups on things.

Senator **Gore**. [Off the record.]

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[2] Maurice H. Klein resigned as personnel director of the National Security Agency on November 20, after admitting falsification of his own job application form.

EVALUATION OF THE FILES

Senator HICKENLOOPER. The FBI does not evaluate these files. The FBI's job is to investigate. When they are told to investigate anybody, they put in the file whatever they find in the investigation. Some of it they classify as information from doubtful sources, which means that they do not believe that it is very reliable. They will put in sometimes the information is received from sources of known reliability.

They refuse to evaluate. If you ask them to, they will say that "we do not evaluate this file, we only report what we find." It is up to the agency to look at it. And if there is something in there that the head of the agency or the responsible person says is a questionable matter, I want it looked up further, they send it back to the FBI and ask them to check it up further.

I have seen the FBI put on the spot and practically demand that they evaluate this, and they absolutely refuse to do it, because they say it ruins this investigative objective if they evaluate.

You could pick out countless things. Let me give you an illustration.

You remember this scandal we had here several years ago—10 or 12 years ago—about this girl in the State Department who got mixed up with the Russians? [Judith] Coplan was her name. Well, basically that girl probably had no intention of being disloyal at all. She just got crazy about this Russian, and he threatened not to have anything more to do with her unless she got him information, and finally in order to continue her association with him, she went and got information. She had a definite weakness.

Senator HUMPHREY. She liked men.

Senator HICKENLOOPER. Yes. And lots of people have certain weaknesses which experience shows can lend themselves under certain circumstances to the efforts of people who want to be subversive. That is a question of evaluation. There was a case about 4 years ago of a fellow who was in a fairly sensitive position.

He and his wife were found to be shop-lifters of little things. The fellow had worked for years. There was not the slightest question in anybody's mind but that he was loyal to his country. He was not a foreign agent in any way, shape or form. But in evaluating this fellow's record as a shop-lifter, and his wife as a shop-lifter, if they will steal from a store, they are apt to take money from somebody for some information when stress gets on them. I mean they are definitely a security risk—although there is no question of loyalty involved in that particular case—I mean no proof of it. It is a question of evaluation.

Senator HUMPHREY. Bourke, what you want here is that if derogatory information of a character which would cast doubt upon loyalty, or lend itself to being a security risk is uncovered in said investigation, that the file shall be referred to the Security Division of the State Department for review?

Senator MORSE. I would like to suggest you might get some language in that which says reflecting on their loyalty or security fitness.

Senator HICKENLOOPER. Well, anything of that kind.

Senator **Sparkman**. I would say that if the director, in his opinion, believes that it reflects unfavorably upon this applicant as to loyalty, and as to his being a good security risk——

Senator **Hickenlooper**. I think the language is—in some cases—I believe in the civil service legislation—that if the investigation discloses, then it is up to the director.

A PROPER SECURITY PROVISION

Senator **Sparkman**. All right. What about the language now.

Senator **Hickenlooper**. This satisfies me. The staff suggests this:

> In the event the investigation discloses derogatory information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Office of Security of the Department of State for final determination.

Senator **Gore**. Why don't you eliminate the word "derogatory" and you have a stronger statement. Read it without the word "derogatory" in it.

Senator **Hickenlooper**. "In the event the investigation discloses information indicating that the person investigated." That is all right.

Senator **Sparkman**. The motion is that that be agreed to.

Senator **Hickenlooper**. Now, may I just continue this one point. I don't like to be picayunish about this. But I have been through a lot of these security things. I think it is very vital that we get a realistic, proper security provision in here. I would not want to be completely bound by what we adopt today. If a better thing comes up, I would want to submit it to the committee or to others, to see whether it was a matter of wording or something in the future. I am reasonably satisfied as it is now.

JACKSON AMENDMENTS

Senator **Sparkman**. Senator Jackson has made a suggestion that on line 9, page 22—if you will look at that—after the word—"security" at the end of that sentence, this be added. "And to carry out the provisions of this act." In other words, the period changed to a comma, and the words "and to carry out the provisions of this act."

Senator **Lausche**. It would read then what?

Senator **Sparkman**. "The agency shall establish such security, loyalty requirements, restrictions and safeguards as it deems necessary in the interest of the national security and to carry out the provisions of this act." It ties it to the act.

Senator **Lausche**. That is a clumsy wording, is it not?

Senator **Sparkman**. He has given a lot of study to this—his subcommittee has on Government Operations. I have no interest in it. I just have this notation here that he makes that suggestion.

Senator **Humphrey**. I move that we accept the Jackson amendment.

Senator **Morse**. Second the motion.

Senator **Sparkman**. Without objection it is agreed to.

Now, he has one other suggestion, and that is on page 30. On page 30 he says that it is not clear, in lines 16 through 29 whether the director himself can submit additional legislative recommendations to the Congress. It seems to me that that can be cured—and

Carl I presume this is your memo—by changing the word "director" in line 18 to "Secretary of State."

Senator **Humphrey**. I agree. I think that fits within the purpose. I so move.

Senator **Sparkman**. Without objection, then, that change will be made.

Now I suppose we are ready for a final vote?

SENATE APPROVAL FOR ADVISORY COMMITTEE MEMBERS

Senator **Lausche**. I have something. This deals with security.

Section 26 provides for the creation of a general advisory committee of not to exceed 15 members, to advise the director on disarmament policy and activities. "These members shall be appointed by the President." The present provisions of the bill contain no language requiring that they be approved by the Senate.

Senator **Humphrey**. I agree. I brought this up. I think this is an amendment that we ought to have. I want to support you. We discussed that after this reprint of the bill was done.

Senator **Lausche**. I think it is very essential. These men are allowed to speak up. They advise, and they can say do this and do that, and they can publicize it. And nobody will have control over them. And I think you ought to make it "The President, by and with the advice and consent of the Senate."

Senator **Humphrey**. I second that.

Senator **Sparkman**. The motion is made and seconded. Is there objection? Without objection it is agreed to.

Senator **Hickenlooper**. I want to express my personal feeling. I do not believe it is necessary, but I do not think it hurts any, and it may help a little.

THE MAN ON THE GROUND

Senator **Lausche**. Now, on page 3, subparagraph (b), line 11, it reads "the preparation for and management of United States participation in international negotiations in disarmament"—isn't that going too far? That is, "must be able to carry on the following primary functions. (b) the preparation for and management of United States participation in international negotiations."

Doesn't he really prepare the material and information to be used by the Secretary of State in these international negotiations? He does not manage them.

Senator **Sparkman**. I think he does manage it, Frank, under the supervision and direction of the Secretary of State.

Senator **Humphrey**. That is the central purpose of this whole section, section 2.

Senator **Sparkman**. Remember, this is just like Arthur Dean over in the conferences in Geneva. He operates under the Secretary of State. But nevertheless he is the man on the ground that does the managing.

Senator **Lausche**. I think we can clarify definitely that on the floor of the Senate, because I do not want any doubt left but that he is fully subject to the direction and control and supervision of the Secretary of State.

Senator **Sparkman**. And we can stress it in the report, too.

Senator **Humphrey**. May I suggest here if there was any doubt about that at all, Frank, you could have it right after line 7 there—"must be able to carry out the following primary functions under the direction and supervision."

Senator **Sparkman**. We had omitted that in other places——

Senator **Humphrey**. Under the organization, title 2 on page 5, you have it so clearly stated now.

Senator **Lausche**. I agree with you, John, if you put it in here——

Senator **Sparkman**. Then we have to go through and put it in other places. But we can certainly stress that in the report.

PREPARATION OF MATERIAL AND INFORMATION

Senator **Lausche**. Here is what I wrote. On page 11—"The preparation of material and information for the participation of the United States in international negotiations in the disarmament field." That is page 3, line 11.

Senator **Sparkman**. "The preparation for and——

Senator **Lausche**. "The preparation of material and information for the participation of the United States in international negotiations in the disarmament field."

Senator **Sparkman**. Frank, he has to prepare more than that—he has to prepare the physical set-up, the getting of offices. If there is going to be an international conference in Geneva, he has a lot to do other than just arranging the materials.

Senator **Lausche**. Maybe that is so. But I fear this word that he shall manage it. But if he gets it cleared up in the record, it is subject to the direction all the way through of the Secretary of State.

Senator **Sparkman**. We will make that clear.

Senator **Lausche**. Now, I want to go one step further, and that is on these authorities. You have about 10 or 12 subparagraphs here, I think.

Senator **Sparkman**. It is (a) to (m).

Senator **Lausche**. You say "He shall do the research and study related"—now I get down to page 9—"(h) he shall do the research and studies related to the economic and political consequences of disarmament." What about the Secretary of Labor, and the Secretary of Commerce? Aren't you having duplication in this matter?

Senator **Hickenlooper**. You have duplication all through this bill, Frank. It cuts across every department of Government.

Senator **Humphrey**. It is a coordination, Bourke.

Senator **Hickenlooper**. I said at the outset this is a supra agency. We might as well recognize what it is.

Senator **Humphrey**. Well, the purpose of that particular section is for this director, insofar as disarmament is concerned—is to be able to call on the Department of Labor, the Department of Commerce, Council of Economic Advisors and coordinate their activities on this particular subject matter.

As you may recall, Bourke, we made it quite clear that this was not exclusive. We had "particpation in the following." This was the Hickenlooper amendment. The authority—shall include participation in the following, insofar as they relate to disarmament. And then we list them out. We did not give them exclusive authority.

Senator **Lausche**. Well, you see, on subparagraph (b), I made a marginal notation. "He shall conduct research and studies related to the techniques"—that is line 3, page 9—"and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear and other weapons." Isn't that being done now? And what is being done on these now? These are undoubtedly being taken care of.

Senator **Sparkman**. Look on line 21. It starts on 19—page 8. "The authority of the agency with respect to research, development, and other studies shall include participation in the following, insofar as they relate to disarmament." You see, we rewrote that. It was at Bourke's suggestion. So as to show it is not our intention to take these away from other agencies.

WHO DECIDES WHAT PARTICIPATION IS NECESSARY?

Senator **Lausche**. Now, who does, then, decide what the participation and the necessity of it is? The Secretary of State, or the President?

Senator **Sparkman**. He is under the direction of the Secretary of State. But of course the President——

Senator **Humphrey**. Under the coordination section in here, page 14, we make it——

Senator **Lausche**. I see.

Senator **Humphrey**. He establishes the procedures.

Senator **Lausche**. Now, one further question.

On page 16, as I mentioned before, you allow them to employ two men who shall be in a special class, and shall be permitted to receive $1,500 in excess of that salary now provided and fixed by law for grade 18, and they shall also be permitted to engage 20 who shall be paid more than $500 in excess of what is permitted under grade 18.

How does this compare with these special rights that you have given to other agencies of this type by way of the number that they may employ with special and preferred salaries? You say you have 45, on page 7. And then you have 20 on page 10, and then you have another two, on line 14. I am reading from paragraphs on page 16. They may employ 45.

Mr. **Marcy**. Senator, 20 can be paid a maximum of $19,000, under this provision. Two may be paid a maximum of $20,000. The other—the difference between 22 and 45 cannot be paid as high as either of those. This simply exempts them from the provisions of the classification act.

Senator **Lausche**. How does this compare with specific concessions that you have made in others?

Mr. **Marcy**. I would say it is roughly the same—maybe a little bit more. I think there were 45 in the Peace Corps in this supergrade category, and they contemplate having at the end of the first year a total of about 260 or 270 employees, which is about the same as this agency contemplates.

Senator **Humphrey**. And this is for scientific personnel.

Mr. **Marcy**. This is thin on the supergrade as compared to the Peace Corps, considering the type of work they are doing.

Senator **Lausche**. Bourke, have you raised any question on this? You did a whole lot in the Peace Corps.

Senator **Hickenlooper**. Well, I did not raise any question on this particular thing. I do not like it. But then——

ADOPTION OF THE BILL

Senator **Humphrey**. I move the adoption of the bill as amended and revised.

Senator **Sparkman**. Second.

Senator **Gore**. Second the motion.

Senator **Sparkman**. As amended, including the amendments agreed to here this morning. All right. The Clerk will call the roll.

Mr. **St. Claire**. Senator Sparkman.

Senator **Sparkman**. Aye.

Mr. **St. Claire**. Senator Humphrey.

Senator **Humphrey**. Aye.

Mr. **St. Claire**. Senator Mansfield.

Senator **Humphrey**. Aye.

Mr. **St. Claire**. Senator Morse.

Senator **Humphrey**. Aye.

Mr. **St. Claire**. Senator Long.

Senator **Gore**. Aye.

Mr. **St. Claire**. Senator Gore.

Senator **Gore**. Aye.

Mr. **St. Claire**. Senator Lausche.

Senator **Lausche**. I am voting aye, reserving to myself the right to challenge this special grade of pay.

Mr. **St. Claire**. Senator Church.

Senator **Humphrey**. Aye.

Mr. **St. Claire**. Senator Symington.

Senator **Sparkman**. Aye.

Mr. **St. Claire**. Senator Dodd.

Senator **Humphrey**. Aye.

Mr. **St. Claire**. Senator Wiley.

Senator **Wiley**. Aye.

Mr. **St. Claire**. Senator Hickenlooper.

Senator **Hickenlooper**. Aye.

Mr. **St. Claire**. Senator Aiken.

Senator **Aiken**. Aye.

Mr. **St. Claire**. Senator Capehart.

Senator **Hickenlooper**. I think Carlson wants to vote aye.

Capehart votes aye.

Mr. **St. Claire**. Senator Carlson.

Senator **Hickenlooper**. The reason I say that—I talked to Capehart, and he gave me a general proxy. He phoned in and said to vote aye.

Mr. **St. Claire**. Senator Williams.

Senator **Williams**. Aye.

Mr. **St. Claire**. Senator Fulbright.

Senator **Sparkman**. I vote aye for the chairman.

Mr. **St. Claire**. On this vote, the yeas are 17, the nays are nothing. The motion is carried.

Senator **Sparkman**. The bill will be reported.

Any further matter?

We are supposed to have two very short and simple treaties, as I understand. And this will be an open meeting.

The staff will be permitted to renumber sections and——

Senator **Humphrey**. And make changes in the security provisions.

AFRICAN SUBCOMMITTEE

Senator **Gore**. Mr. Chairman, before you open the committee, I plan to take such members of the African Subcommittee as can go on a trip to Africa beginning about the 22nd of September. It appears I am going to have difficulty getting enough to go. Senator Fulbright expressed the hope that as many Senators as possible would go, because of the importance of this Continent and the many countries on that Continent in the United Nations and otherwise.

What I am trying to do is issue an invitation to any member of this committee who would like to go.

Senator **Williams**. I appreciate the invitation, but one Williams is enough in Africa.

Senator **Sparkman**. All right.

[Whereupon, at 11:15 a.m., the committee recessed, and went into committee business.]

Edwin M. Martin, Assistant Secretary of State for Economic Affairs, then testified on the Estate Tax Convention with Canada (Executive G, 87th Congress, 1st Session). He also testified on the International Telecommunication Convention (Executive J, 86th Congress, 2nd Session), being followed on this with testimony from Francis Coit de Wolf, Special Assistant, Director of Transportation and Telecommunications, Department of State.

For record of the proceedings, see the official transcript.

[The committee adjourned at 11:45 a.m.]

MINUTES

MONDAY, SEPTEMBER 11, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee proceeded into executive session at 12:05 p.m., in room F-53, U.S. Capitol.

Present: Chairman Fulbright, and Senators Sparkman, Lausche, and Aiken.

Roger W. Jones, Deputy Under Secretary of State for Administration, continued his testimony on the bill (H.R. 8291), To amend the Act of July 14, 1960, enabling the United States to participate in the resettlement of certain refugees.

For the record of the proceedings, see the official transcript.

[The committee adjourned at 12:55 p.m.]

MINUTES

TUESDAY, SEPTEMBER 12, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met at 10:40 a.m., in room F-53, U.S. Capitol, in executive session.

Present: Chairman Fulbright, and Senators Sparkman, Lausche, Symington, and Wiley.

The first order of business was the bill (H.R. 8291), To amend the Act of July 14, 1960, enabling the United States to participate in the resettlement of certain refugees. After discussion, the bill was ordered reported, as amended, without objection.

On motion by Senator Sparkman, and without objection, the committee approved for report the Estate Tax Convention with Canada (Executive G, 87th Congress, 1st Session).

On motion by Senator Sparkman, and without objection, the committee also approved for report the International Telecommunication Convention (Executive J, 86th Congress, 2nd Session).

On motion by Senator Sparkman, seconded by Senator Symington, the committee unanimously approved for report the Foreign Service list of promotions and appointments headed by the nomination of Robert F. Corrigan.

For record of the proceedings, see the official transcript.

[The committee adjourned at 11:55 a.m.]

MINUTES

MONDAY, SEPTEMBER 18, 1961

UNITED STATES SENATE,
SUBCOMMITTEE ON AFRICAN AFFAIRS OF THE
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The subcommittee met at 10:30 a.m., in executive session, in room F-53, U.S. Capitol.

Present: Senator Lausche (acting chairman), and Senators Church, Wiley, and Capehart. Senators Sparkman, Humphrey, Morse, Hickenlooper, and Carlson also attended.

G. Mennen Williams, Assistant Secretary of State for African Affairs, briefed the subcommittee on the current situation in the Congo.

[No record was kept nor transcript taken at the meeting.]

BRIEFING ON THE WORLD SITUATION

[EDITOR'S NOTE.—U.N. Secretary-General Dag Hammarskjold died in an airplane crash on September 18, while on his way to negotiate a ceasefire in the Congo. At the time of Hammarskjold's death, the Soviet Union had been campaigning to replace the single Secretary-General with a three-member "troika" board, with one member representing the East, one the West, and one the neutral nations. Soviet Foreign Minister Andrei Gromyko announced that the Soviet Union would not agree to the appointment of an acting Secretary-General, leaving the United Nations leaderless during the ensuing debate. In an address to the General Assembly on September 25, President Kennedy voiced support for a single Secretary-General. "Even the three horses of the troika did not have three drivers, all going in different directions," said the President. "They had only one—and so must the U.N. executive." On November 3, after lengthy deliberations between the American and Soviet ambassadors and other delegates, U Thant of Burma was elected U.N. Secretary-General, with a promise that he would appoint several undersecretaries to represent the world's geographical regions and ideological divisions.]

WEDNESDAY, SEPTEMBER 20, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 4:55 p.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright, and Senators Sparkman, Humphrey, Symington, Wiley, Hickenlooper, Aiken, Capehart, and Williams.

Also present: Mr. Denney, Mr. Henderson, and Mr. Kuhl of the committee staff.

The **CHAIRMAN**. The committee will come to order.

It is reassuring to see how interested Republican members of this committee are on all these matters of importance. I think the Democrats are trying to do the public business upstairs on the floor. They will be down shortly. You know they all planned to come at 5 o'clock, but I think we might as well start.

Secretary **RUSK**. We can wait 5 minutes if you wish.

The **CHAIRMAN**. No, I don't think so. The Secretary, as you all know, is on a tight schedule. He has to go to the White House at 6 o'clock. He will leave at about 10 minutes of 6, but I thought we would benefit by his counsel to us.

Mr. Secretary, we are very pleased to have you here. We would like for you to give us a very brief fill-in, if you would, and then give the members an opportunity to ask questions. There are plenty of things I know they are interested in.

STATEMENT OF HON. DEAN RUSK, SECRETARY OF STATE

Secretary RUSK. Thank you, Mr. Chairman. I appreciate this chance.

Senator WILEY. You want everything on the record?

Secretary RUSK. Yes. This is executive session?

The CHAIRMAN. This is executive session.

Secretary RUSK. I have just come from New York today, and will be going back overnight, and I might comment on two or three of the key matters that are involved there, and then talk a bit about Berlin.

I will be seeing Mr. Gromyko tomorrow at luncheon. The whole country, of course, shares the sense of tragedy over the death of Mr. Hammarskjold. What would in any event be a tragedy is a real misfortune coming as it did and when it did.

TROUBLE OVER NEW SECRETARY GENERAL

The most immediate problem in front of the United Nations is, of course, to move promptly, so that there will be no gap in the authority of the Secretary General. The Soviet Union has made it clear that it will insist upon its troika proposal, and we anticipate very serious trouble in electing a Secretary General as anticipated in the charter; that is by nine nations of the Security Council and concurrence by the five members, and then election by the General Assembly.

Therefore, everyone's thoughts, except those of the Soviet Union, are turning toward some provisional arrangement that cannot be barred by a Soviet veto in the Security Council. The thought is—and I will ask one of my colleagues to check to see whether this has been accomplished since I left New York—that the General Assembly would designate an individual to administer the Secretariat with the authority and powers of the Secretary General, and that then the Security Council would turn to the question as to whether they can recommend someone as Secretary General to the Assembly.

The thought there was that the General Assembly has plenary authority over the Secretariat, except the office of the Secretary General itself, and that the charter makes no specific provisions for an Acting Secretary General. Therefore, it is fully within the province of the General Assembly, which represents the governments of the world assembled, to make provision where the law in effect is silent.

ACCEPTANCE OF PROVISIONAL ARRANGEMENT

I might say that we have found no opinion in the Assembly generally that the Soviets should be allowed a veto on this process. Mr. Krishna Menon [1] arrived late last evening and was talking about his usual line of finding some compromise with troika, but except for that, there seems to be well nigh unanimity in the Assembly that some provisional arrangement will have to be made.

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[1] Indian defense minister and delegate to the United Nations.

Senator HICKENLOOPER. Can you find any method for the elimination of Mr. Krishna Menon?

Secretary RUSK. I think maybe one of these days the Indians will be able to discover that.

Senator HICKENLOOPER. They have discovered it themselves, all but Nehru. Excuse me.

Secretary RUSK. That is all right, sir.

The three names which are being most actively discussed this morning as I left New York were those of Mr. Mongi Slim of Tunisia, who is expected to be elected President of the Assembly, and undoubtedly has by now; Mr. [Frederick H.] Boland, the outgoing President of the Assembly; and U Thant, the Permanent Representative of Burma. I think any one of these would be an acceptable provisional administrator of the Secretariat, pending the effort of the Secretary General to find some solution.

Now if the Security Council is unable to come up with a name, then the Assembly, before it adjourns, would either extend the time of the individual selected now, or would elect someone else on a more permanent basis to fill that kind of role.

U THANT IS MOST LIKELY CANDIDATE

Mr. Mongi Slim did not wish this responsibility. He has a political life ahead of him in Tunisia that he wants to go back to. Mr. Boland does not wish it, and indeed apparently his government does not wish him to take it on.

Mr. U Thant is Mr. Boland's candidate, and we have looked into him pretty carefully and feel that he is an entirely reliable person. He is a close friend of U Nu, which means he is strongly anti-Communist domestically, although a neutral internationally, and is a man of very considerable integrity and experience and ability. Other names may have come up during the day.

The CHAIRMAN. How do you spell his name?

Secretary RUSK. U Thant, T-H-A-N-T.

Senator CAPEHART. What country?

Secretary RUSK. Burma.

Senator SPARKMAN. Where is Boland from?

Secretary RUSK. He is from Ireland.

Senator SPARKMAN. Oh, yes. He is the present President.

Secretary RUSK. Yes, I think that the present situation of the Irish troops in the Congo made it difficult for the Irish Government to ask Boland to be head of the U.N. operation there.

LENGTH OF TEMPORARY APPOINTMENT

In any event, Mr. Chairman, this is the basis on which the Assembly is proposing to proceed: to name someone temporarily and then to extend that arrangement, or to name someone else for a longer period, if the Security Council is unable to act.

The CHAIRMAN. In effect, kind of an Acting Secretary General?

Secretary RUSK. Yes, without calling it that, but an administrator secretary with the powers of the Secretary General.

Senator AIKEN. How long is temporary?

Secretary RUSK. Well, it could be a long time.

Senator AIKEN. Until the Security Council agrees on a permanent or a 6-year term?

Secretary RUSK. The thought this morning among the various caucuses was in order to move promptly and with an overwhelming vote, they would elect someone now for the duration of this Assembly. Then, if by the time this Assembly comes to an end you have not found a person, you simply extend that action or elect another person for a longer period.

In other words, having established the precedent that the Assembly could do this, and with an overwhelming vote, then you would have no difficulty extending it later on.

PROPOSED PROCEDURE IS VALID

Senator AIKEN. You are sure that can be done, that they can elect a provisional secretary through the General Assembly then?

Secretary RUSK. We are sure that it can be done for three reasons. One is that article 101 of the charter makes it pretty clear that the Assembly has plenary authority over the Secretariat. Second, if the governments of the world meet and decide that this has to be done in the absence of specific provisions, there is no better source of international law than that, because that is the world assembly.

Senator AIKEN. It will be considered an extraordinary matter requiring a two-thirds vote, won't it?

Secretary RUSK. Probably. There will be no difficulty about a two-thirds vote on this.

Senator AIKEN. You think there will be no difficulty?

Secretary RUSK. None whatever. The neutrals and the Western countries are all together on this, and the Afro-Asian bloc feel it very keenly.

And, third, you did have the precedent of the General Assembly in 1950 extending the term of Trygvie Lie, when on the Korean affair the Security Council was unable to reelect him, and they got into a deadlock at that time, so we think we are on solid ground there.

SITUATION IN THE CONGO

On the Congo, Mr. Chairman, the Secretary General's death was especially tragic in that situation, because in fact he was on the way down to Tshombe[2] at the strong urging of the United States and certain other countries, trying to get this Katanga situation back into the framework of political discussions.

The U.N. has been trying to get the so-called Tshombe irresponsible mercenaries out of Katanga and other parts of the Congo. They succeeded in getting from 200 to 300 of them out.

There were perhaps 150 left in the Katanga. They had had the cooperation of the Belgian Government in doing this, more or less on the basis of a voluntary action, but the local U.N. people on the spot decided, I think without Mr. Hammarskjold's immediate and exact knowledge, that they would seize the radio station to try to cut down on Tshombe's very sustained propaganda campaign of incitement against the U.N., and make some additional arrests. They were hoping for a quick solution to that aspect of the problem.

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[2] President Moise Tshombe of Katanga province, which had seceded from The Congo.

Their plans leaked apparently, and they ran into severe opposition. The kind of fighting developed for which the U.N. itself was not prepared and which was not intended as far as the U.N. is concerned.

IMPORTANCE OF PEACEFUL U.N. PROCESSES

We felt that it was important that the U.N. not undertake to carry out sustained operations on almost a guerrilla warfare all over the Katanga, in order to bring this to a military conclusion, but that the U.N. do everything that it could to get Tshombe and Adoula back into conversations, back into constitutional negotiations, to see if this couldn't be brought to a halt, and Hammarskjold was going down to see Tshombe about this point when he met his death.

Those talks have been resumed in Northern Rhodesia, but at least I have not yet heard whether any progress has been made. We feel very strongly that a sustained United Nations military campaign to pacify the Katanga is just not on.

It is not appropriate politically and it is not on militarily, and that the peaceful processes of the U.N. have to be called into play here, and made full use of.

LEADERSHIP OF NIGERIA

One rather interesting and encouraging development has been the emergence of Nigeria in a position of strong leadership in this Congo problem. The Nigerians are now saying that they have a vital national interest in what happens in the Congo, that they are utterly opposed to any attempt on the part of the Gizenga group to take over there, that they will support Adoula and Kasavubu and the United Nations effort, and that they, with their own troops sitting in Leopoldville, will insist that the Congo remain a free country and not be subject to any kind of take-over from Stanleyville or any influence or element of that sort.

Senator HICKENLOOPER. You mean that they will insist that Katanga get its autonomy and independence?

Secretary RUSK. No, that they will insist that Leopoldville be maintained under the direction of men like Kasavubu, and Adoula, and that it not be taken over from Stanleyville by the Gizengis in this present situation.[3] It has been really quite gratifying to see this kind of African leadership begin to take hold there.

The CHAIRMAN. How many troops have they got?

Secretary RUSK. They have two battalions of troops, and it is their attorney general who is there negotiating the constitutional problems among the different elements. They seem not only to mean business themselves, but are having a considerable influence with other African states, and I think this is in the right direction.

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[3] Congo President Joseph Kasavubu, Prime Minister Cyrille Adoula, former Deputy Prime Minister Antoine Gizenga.

GENERAL ASSEMBLY ELECTION

We have just had a late message from New York that Slim has been elected President of the Assembly, and although he indicated earlier that he did not wish to take it on, he has indicated that he might now take on this role of the temporary Secretary General. He is Tunisian, Mongi Slim of Tunisia.

Senator AIKEN. What was the score?

Secretary RUSK. 96 to nothing. There was no contest.

Senator SYMINGTON. Did the French vote for it?

Secretary RUSK. There would be three absentees on that basis. I am not sure. My guess is the French would have, in view of the present situation in Bizerte.

Our own delegation feels that if Slim does resign as President of the Assembly in order to give full time to this role, that the Nigerian, of whom I was talking, would be our favorite candidate for his successor as President of the Assembly.

Senator AIKEN. Who would that be?

Secretary RUSK. Mr. Wachuku, the Prime Minister of Nigeria, who is here.

CONGO CEASE-FIRE REPORTED

I am sorry to get these snatches here, gentlemen, but these are reports on matters that I was speaking to you about. We do have a report that a cease-fire was agreed to between Tshombe and the U.N. representative that was down there negotiating with him.

Senator AIKEN. It begins at midnight. It is on the ticker.

Secretary RUSK. I am glad to hear that.

U.S.-SOVIET DISARMAMENT NEGOTIATIONS

Mr. Chairman, there is one other point that would be of interest to the committee. You know that Mr. McCloy has been negotiating bilaterally with the Soviet Union on disarmament for some time; one session in Washington, one in Moscow, and then a recent session in New York.

Somewhat to our surprise, the day before yesterday the Russian delegate came to see him and said that he had had instructions from Moscow that some special effort ought to be made to reduce tensions, and that the Soviet Union was prepared to accept the United States draft statement of principles on disarmament. This was with the exception of one sentence which I will mention in just a moment.

Such a declaration is not a disarmament agreement. It is not a disarmament plan. It was simply a statement of general principles which might be the subject of further negotiation in international multilateral discussions.

DISAGREEMENT OVER INSPECTION

Now, the one sentence to which they took exception and asked that it be withdrawn from the statement of agreed principles was one which our own delegation added in New York in order to be entirely specific about one point, and that is that inspection and verification should insure that not only agreed limits on reductions take place, but that retained armed forces and armaments do not exceed agreed levels. In other words, that both what is turned in or reduced would be inspected and what is retained would be inspected.

That principle underlies the remainder of the declaration, and is thoroughly spelled out in the memorandum of explanation which accompanied this statement on principles.

Senator WILEY. They want that out?

Secretary RUSK. They want that out, but they acknowledge that this was the principle to which we would continue to adhere, just as there are certain other principles to which they would continue to adhere. In other words, this would be an agreed center statement, and then there would be additional views on both sides.

DECLARATION AND EXPLANATION TO BE MADE PUBLIC

Well, we looked at that very carefully. We have not yet supposed that this represents any change of heart in Moscow, but nevertheless it was not possible for us to reject this, and so we are making this declaration of agreed principles public, along with a letter from our delegate to the Soviet delegate reemphasizing this sentence which was deleted from the statement of agreed principles. We are also making public the memorandum of explanation which spells out that particular point in considerable detail.

The meaning of this is probably that the Soviet Union felt that they were going to be under very considerable pressure in this General Assembly on the subject of disarmament, with their nuclear testing and with their record of having pulled out of several forums in which disarmaments is being discussed, despite their pretensions on this general subject.

LINK BETWEEN DISARMAMENT AND BERLIN

There is some distant possibility, Mr. Chairman—I mention this with some hesitancy—perhaps one chance in a thousand that there may be a little more in it than that. Mr. Khrushchev has in recent weeks dropped some hints that perhaps disarmament and Berlin might have something to do with each other.

It is just possible that he might feel that if some sort of progress were made on disarmament, it might open the way for some sort of progress to be made on Berlin, from his point of view. I say I hesitate to mention that because I think there is only a chance in a thousand that it would——

Senator SYMINGTON. What do you mean by progress on disarmament?

Secretary RUSK. I believe you were out when I mentioned this joint statement—some sort of agreement to continue serious negotiations on the subject, at least that much, because everyone was in very much of a deadlock on it. I think that will bring us then to the Berlin question. I am seeing Mr.——

Senator HICKENLOOPER. He is probably in the process of completing his atomic tests, so he is ready to talk now and to put us in a moratorium again.

DISARMAMENT DISCUSSIONS AT U.N.

Secretary RUSK. This is a very likely point. Mr. Khrushchev may very likely complete his series; then, in the middle of the U.N. discussion of the subject, propose a resumption of an unpoliced moratorium.

We can't, of course, accept that. We will have to take the position that the way to get such a test ban is to go to the treaty. We are trying to lay the foundation for this maneuver by predicting this to the other delegates, so that when it comes, they won't be surprised, and will be prepared for that kind of a maneuver.

Senator AIKEN. Mr. Secretary, can we afford to accept the Russian proposal to resume arms talks too quickly, before the members of the General Assembly and the delegates to the United Nations have had a chance to express themselves freely and, we hope, vigorously on the situation?

I was wondering if we were in a hurry to accept that.

Secretary RUSK. Senator, I think in trying to cover several points quickly, I did not say enough on that point, because that would be a very good point.

These bilateral talks have now come to an end. The next point of discussion will be the General Assembly itself. Out of that may come some future multilateral negotiations.

Senator AIKEN. You haven't talked with Gromyko yet?

Secretary RUSK. No, I have not, and I do not expect to talk disarmament with him tomorrow, so the next stage in the disarmament business is a full debate in the General Assembly, you see.

NO SIGNIFICANT CHANGE REGARDING BERLIN

Now on the Berlin problem, I am seeing Mr. Gromyko tomorrow at luncheon. We do not expect any significant progress to come out of that particular first conversation.

I might indicate a little of the background and just what might occur there, and I will try to get word down to the gentlemen of the committee as to what might happen at the meeting tomorrow just as soon as we have it.

We have had no indication since early June, when the President and Mr. Khrushchev saw each other in Vienna, that there has been any significant change in the Soviet position on Berlin. They have made a good many remarks about negotiation, both publicly and privately, but when you look at these statements, almost invariably they say negotiations on a peace treaty with Germany or East Germany and a solution of the problem of West Berlin on that basis.

We have had no indication thus far that they anticipate or are prepared for any serious discussion of the general problem of Germany and Berlin seen as whole. The repetitiveness of this position of theirs is quite marked. It shows up in their public notes. It comes up in private conversations they have with people like Fanfani,[4] McCloy, and anybody else with whom they talk to about it, and through the normal diplomatic channels.

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[4] Amitore Fanfani, Italian Premier.

UNILATERAL AGREEMENT WOULD BE UNACCEPTABLE

What bothers the West is not that Mr. Khrushchev might go off somewhere and sign an agreement with the East Germans—he has done that before—but that he might sign an agreement which he claims will bring our rights in West Berlin to an end, terminate our occupation status, and subject access to West Berlin to negotiations with the East Germans. The implications of such an agreement, if he is going to back it up in action and back it up by force, are just unacceptable to the West.

There is complete unanimity in the NATO alliance that the Western presence in West Berlin, the ability of that city to survive, and physical access to that city are vital interests on which the West cannot yield. There is also complete agreement, save Belgium, that before any constructive negotiations can be expected with the Soviet Union, the West must demonstrate, both by military buildup and by its own political attitudes, that the West cannot yield these points, and that Mr. Khrushchev would be in for a major crisis if he tried to press them.

Belgium's view is that you should negotiate first; then, if you find that you can't make any headway, consider the steps that have to be taken.

Senator WILEY. Consider what?

Secretary RUSK. You should negotiate first and then, if the negotiations fail, you should consider then what steps are to be taken.

REACTION TO CONSTRUCTION OF WALL

Senator SYMINGTON. Mr. Secretary, can I ask a question?

Secretary RUSK. Yes, sir.

Senator SYMINGTON. Why didn't we take steps when they put that wall up?

Secretary RUSK. I think there were two reasons. One is that we did not believe that shooting our way into East Berlin was a vital interest, that it was a major commitment of the West, and the alliance was pretty well agreed on that.

Senator SYMINGTON. Do you think if we had tried to knock the wall down they would have shot at us?

Secretary RUSK. One can speculate on that. I think personally they would, but one never knows.

The point is that those who make that decision have to be perfectly willing to live with it either way. Others can gamble and have views on it, but when you do it, you have to take it either way.

Senator HICKENLOOPER. Was the wall entirely on the territory of East Germany?

Secretary RUSK. Yes sir, it was.

Senator HICKENLOOPER. And it did not encroach on the territory of the West Berlin sector?

Secretary RUSK. That is correct, sir.

WAS AGREEMENT VIOLATED?

Senator AIKEN. Was the construction of the wall definitely a violation of the agreement, if it was all on East German territory?

Secretary **Rusk**. It was a violation of the quadripartite notion of Berlin, that the West has long since yielded that kind of interest in East Berlin.

You see in 1955, for example, they made it quite clear that East Germany and East Berlin were sovereign states, that East Berlin was the capital and so forth, so we were not in a good position to consider that a shooting issue, in view of the fact that here was an area under their de facto control which we had not disturbed. They were closing that Iron Curtain down there, which exists right around the Soviet bloc.

The other problem, Senator Symington, was that retaliatory measures which were considered right across the board were so double-edged that any relevant retaliatory measure would seem to lead directly into the blockade of ourselves in West Berlin, and the problem would be then to convert what was happening in East Berlin into a part of the shooting interests with respect to West Berlin, and this is the thing that made all this very difficult.

BELGIUM'S POSITION CLARIFIED

The **Chairman**. I don't quite get the difference that you mentioned between the Belgian position and ours. Could you make that a little clearer?

Secretary **Rusk**. It is a position which is a difference which is being resolved by time at the present time.

The Belgians were unwilling to join with the rest of NATO in a military buildup when we strongly recommended this and the principal NATO powers agreed to it in the middle of the summer.

The **Chairman**. Before negotiations?

Secretary **Rusk**. Before negotiations. The view that we took and that the others involved took was that you could not expect any negotiations with Mr. Khrushchev, given this attitude, to be productive unless the West registered on him its determination to take this matter seriously, and showed that it was going to the buildup of its forces in order to underscore its seriousness and put itself in position to defend its rights, if necessary.

This was given the most careful examination among governments. It was concluded that since Mr. Khrushchev was so very hard in his approach at Vienna and since, and in his discussions with Western diplomats at gatherings in Moscow and so forth, that had he supposed that he was headed for serious negotiations, he would not have approached the Berlin problem in these terms. Therefore it was necessary to do something to change his estimate of the seriousness with which we would approach the Berlin problem.

Well, now, as I say, this difference—the Belgians took the view that you should try all-out negotiations first and then, if those negotiations did not succeed, you decided what practical measures you would have to take.

One very serious problem in the Belgian view was that there would be a time factor. You might end negotiations with a great crisis on your hands, and without the means or the buildup required to deal with it.

INTENT TO UNDERMINE WEST IN BERLIN

We do not believe that Mr. Khrushchev's plans for a so-called peace treaty are aimed just at the consolidation of his position in East Germany and East Berlin. Undoubtedly that was a very large part of his problem, and he looked at the German and Berlin affair.

He clearly, we believe, is trying to undermine the position of the West in West Berlin. The threat to the civilian airlift, for example—air transport—is a threat to the only means of access by which individuals who are not persona grata to the East Germans can travel back and forth to West Berlin. The surface transportation is handled jointly by the East and West Germans, but people who are not welcomed by the East Germans have to travel by air.

If the East Germans should get control of access to West Berlin, even though they permitted goods to flow and even though they permitted a considerable amount of traffic, if they used it for the political control of West Berlin, then that city would rapidly be gutted of its political standing. It would be subject to intimidation by the East Germans and would become a hollow shell where the presence of our troops would mean very little.

We feel that there has to be an uncensored access between West Berlin and the rest of the world.

POSSIBILITIES FOR FUTURE NEGOTIATIONS

Now, as I indicated earlier, we do not expect this first meeting with Mr. Gromyko to produce very much. It is likely to repeat the positions of the two sides, perhaps in strong language.

This has been the general pattern of discussions with the Soviet Union. We expect that following that, there will be some further thoughts. If there is any indication in Moscow that they want to explore negotiations further, we will get indications in a second talk or through other channels. There may be openings for some sort of negotiations.

But the first step is to find out whether they are prepared to talk about the German and Berlin problems in terms other than their peace treaty and its effects on Western rights. For example, there are matters of interest to the Russians that could come into the discussions at some stage, if they are prepared for an all-out discussion.

They are undoubtedly genuinely worried about the rearmament of Germany. They forget, of course, that West Germany did not begin to rearm until a year after the Soviets started rearming the East Germans against Western protests. Nevertheless, given their experiences, given their recollections and memories, the rearmament of Germany is undoubtedly something that causes them concern.

There are aspects of the general security situation in central Europe which could be subject to negotiations, say as between NATO and Warsaw pacts: arrangements about surprise attack, perhaps the disposition of forces, the character of forces, arrangements with respect to certain types of nuclear weapons, things of that sort, in which the Soviets might have a genuine interest. But we do not believe that we can get into discussions of matters that might be of common interest to both sides so long as their attitude is that they can only talk about a peace treaty, of the sort they have now described, with its effect on our rights and position there.

FEELINGS OF ALLIES

I do not tomorrow have a mandate from the allies to speak on their behalf, although they are fully apprised of the talks and know what is happening. There is general agreement in NATO, except in Paris, that some sort of contact ought to be established to see whether serious negotiations could take place.

The French are willing, but not willing to be a party to any such effort at this stage. General de Gaulle's general attitude is that we are there; if they bother us, we shoot. The rest of the alliance feels that if you lead democracies into this kind of crisis, and if you ask democracies to take the kind of steps that have to be taken to get ready for it, then you have got to assure them that diplomacy has explored fully the situation, and that if you get into a war, you can go into a war with a clear conscience.

This is again a matter, a difference that is being solved by time, because I think we shall know fairly promptly whether the Soviet Union is interested in serious negotiations or whether they are going to just try to bull their way through on this kind of treaty, and then present us with an attitude on access and on our rights that would deeply engage the interests, the prestige, and the military strength of the two sides.

NO PRECISE U.S. PROPOSAL

Now, perhaps I might just add one further comment, and that is that we have deliberately not worked out a precise negotiating proposal for the West to put before the Soviet Union. This is for two reasons.

One, until we could get more indication from the Soviets that serious negotiations were possible, we did not want to put the final stamp of approval on a negotiating position, and then greatly increase the risks that it would be published all over the front pages of the world's press long before we had a chance to discuss it with the Soviet Union.

Second, up until last Sunday, one of the important allies was involved in an extremely difficult election, and the leaders of that country were inclined to build into that election anything that came out of the discussion of the German and Berlin question. We did not believe, and the Germans agreed with us, that this was a good time to sit down and write out in detail the negotiating position.

MOVING U.N. TO BERLIN

We have had a great deal of discussion among the allies on a great many elements which could go into such a position, all Berlin solutions: an effective way to register the principle of self-determination, even though we do not expect as a matter of fact that it will be applied any time soon; various de facto arrangements between the West Germans and East Germans with which the West

Germans are entirely comfortable; increasing the international status and utility of West Berlin by putting into it such international activities as agencies of the U.N.

The CHAIRMAN. What do you make of that? They proposed that this morning.

Secretary RUSK. Well, the Soviets proposed to move the U.N.—lock, stock, and barrel—there. We don't think too much of that idea.

Senator SYMINGTON. Do what, excuse me?

Secretary RUSK. The Soviets proposed, indicated they would be willing to have the U.N. headquarters itself moved to West Berlin.

Senator AIKEN. But not to a unified city of Berlin?

Secretary RUSK. No, to a free city of Berlin, a free city of West Berlin.

Senator AIKEN. West Berlin only.

Secretary RUSK. A city that would be demilitarized, neutralized, and with its access subject to the control of the East Germans.

WOULD ACCESS BE GUARANTEED?

The CHAIRMAN. On that last point, did they make that clear, that it be subject? This was not clear in the statement, because Khrushchev has said time and again that he does not intend to put any restrictions upon access by the West to the free city of Berlin. If he said it is subject to them, it would be a reversal of what he has said in the past, would it not?

Secretary RUSK. He has always said that after a peace treaty with the East Germans, East Germany would be a sovereign state, and that, of course, any transit across that sovereign state would have to be with the consent of that state, just as would be true with any other state.

The CHAIRMAN. But he has also said that he would guarantee there would be no restrictions or obstruction made to it, as I understood it; that he, that is, the Russians, would guarantee it.

Secretary RUSK. This is one of the points that can be clarified in discussion with them. They know perfectly well, Mr. Chairman, how to sign an agreement with the East Germans and not invade our rights, because they have done it before. They did it in 1955 with the Zorin-Boltz agreement.

If they were to sign an agreement with the East Germans which reserved the rights of the powers with respect to Berlin, then there would be no particular problem. But unless they spell that out in their agreement, to assure the rest of us that they would not turn discretion on that matter over to the East Germans, then we could get into a very dangerous situation.

CONQUEROR'S RIGHT V. MATTER OF AGREEMENT

The CHAIRMAN. If they did, would this be attractive at all as a negotiating point?

Secretary RUSK. If they were to do that, it wouldn't change the present status quo.

The CHAIRMAN. I would change it, as I understood it from reading these—and I have had nothing more than everybody else. They seem to attach great importance to the origin of the right; that is, they wish to liquidate what they call the war, but they profess at least a willingness to go very far in themselves guaranteeing, as a matter of agreement, our access, the West's access, the world's access to a free Berlin, and then putting the U.N. there—or anything else.

That is just one thing that they have indicated they would do. The difference, as I see it, is whether or not you are still there as a part of the war; whether the war has been liquidated and you now operate under an agreement, including the Russians, or you don't; whether you are there as a matter of conqueror's right or as a matter of agreement.

Is that a significant difference? They seem to think that.

Secretary RUSK. They are making a point of this difference, but in fact, Senator, the difference is so insubstantial as to make you look at why it should be so important to them. It is important to them because of trying to undermine the basis of our being in West Berlin.

If they were worried about the extension of the state of war with somebody, they would long since presumably have signed a treaty with Japan, which they have never done. It doesn't bother them to have the state of war with Japan.

The CHAIRMAN. They are not concerned about that?

Secretary RUSK. Mr. Khrushchev always said he thought they made a mistake; that they ought to have signed the Japanese peace treaty. But so much will turn on———

WOULD FAR-REACHING AGREEMENT SUFFICE?

The CHAIRMAN. Why is it that we think it would not be wise to put the U.N. there, assuming that they do enter into as far-reaching an agreement with regard to access and freedom, for example, as the Italian Government went in the Vatican? If they went that far, what would be the objection, or would we still object?

Secretary RUSK. If Berlin were on the boundary line between West and East, and not 125 miles behind the Iron Curtain, and if we were starting afresh in trying to locate the U.N. and not having it become a part of a previous effort of theirs to get the U.N. out of the United States, these things might look differently.

But to give them, in exchange for these pressures, (a) the location of the U.N. 125 miles behind the Iron Curtain and, (b) a chance to slap down the United States by moving the U.N. out of the United States, I should think would be a pretty serious thing for us.

RELOCATION OF EUROPEAN ACTIVITIES

The CHAIRMAN. What if you moved just the European activities?

Secretary RUSK. I talked to Dag Hammarskjold about how many U.N. activities could be put in West Berlin.

The CHAIRMAN. The ones that are already in Europe?

Secretary RUSK. Right, and he volunteered immediately to locate the Economic Commission for Europe in West Berlin. He indicated that there could be a great many U.N. uses of West Berlin, because Geneva is now crowded and they need more facilities of that sort.

So it is entirely possible that West Berlin could become more and more of an international center.

Now, to think of West Berlin as a wholly internationalized city, say under U.N. jurisdiction, is something that would bother the Germans a great deal at this point, because that would seem to postpone indefinitely, or forever, the idea that Berlin might some day be the capital of a united Germany.

I don't think you need to go that far, because the U.N. could go in Berlin without prejudicing all of Berlin for that purpose.

Senator **WILEY**. When do you expect to sit down and have a talk with somebody in authority on the subject?

Secretary **RUSK**. Mr. Gromyko and I are meeting at lunch tomorrow.

ROTE REPLIES TO QUESTIONS ON ACCESS

The **CHAIRMAN**. Have Llewellyn Thompson or you ever explored just how far the Russians are willing to go on this question of guaranteeing free access?

Secretary **RUSK**. There have been some feelers, but again we get this rote reply.

Senator **SYMINGTON**. What reply?

Secretary **RUSK**. Rote, this record played. At Vienna Mr. Khrushchev said orally what turned out to be practically verbatim in the aide memoire he handed us at the end of the Vienna meeting. They have repeated that language with remarkable consistency ever since, so that it looks as though they have all sort of learned a lesson.

It is still a matter of rote repetition. I am seeing Mr. Gromyko because there has been some indication, some little indication in the last 2 or 3 weeks, that they too thought some such conversation might be worthwhile. But it would take two or three talks, at least, either in New York or in Moscow between Ambassador Thompson and Mr. Khrushchev to develop us to the point where we would really know whether we were on the negotiating track or not.

PREFERRED BASIS FOR NEGOTIATION

Senator **CAPEHART**. Mr. Secretary, on what basis would we negotiate on Berlin; on what basis would we like to negotiate? What would be satisfactory to us and our allies?

Secretary **RUSK**. The negotiating problem about Berlin alone is not a very promising one, because there are no margins left after 15 years, not very many margins left there.

Our basic position is that these fellows ought to leave us alone and leave our rights alone.

Senator **CAPEHART**. We would like to have it remain just as it is with access in and out of West Berlin?

Secretary **RUSK**. No, we have some thoughts about how you can improve the status quo, but those Mr. Khrushchev says are just not negotiable.

For example, you are talking about all Berlin. He says East Berlin is the capital of East Germany; it is not negotiable. He just brushes that aside. If you talk about self-determination, he told Mr.

Fanfani that self-determination is a naiveté which represents the senility of the West; this kind of thing, you see.

So my guess is, Senator, that if there are to be any profitable negotiations other than to convince him that he has got to leave us alone and to leave it at that, it would have to be by injecting other elements into it on a broader basis.

GUARANTEED ACCESS IS NOT ENOUGH

Senator CAPEHART. Suppose Mr. Khrushchev would agree to free access to and from Berlin. If you thought you could believe him, taking that for granted at the moment, then what more would we want?

Secretary RUSK. Well, if he were to offer guaranteed free access to West Berlin, this would be a very important point. It is not all, but that would be a very important point.

Senator SYMINGTON. What would be the rest between that and all?

Secretary RUSK. We don't believe these guarantees, Senator, would be very reliable unless we were also there. I mean if he were to connect this with our getting out of West Berlin, for example.

Senator CAPEHART. My premise was that we stayed there if we wanted to, if West Berlin wanted us to, if West Germany wanted us to. Our dealings with West Germany and Berlin would be on the basis that they wanted us to stay there, that we would have the right to do so, and if we wanted to get out we would have the right to get out.

WESTERN PRESENCE IS ESSENTIAL

Secretary RUSK. The presence of the three Western powers in Berlin and free access to West Berlin are the essential elements of the problem.

The CHAIRMAN. That rules it out as being an international city and not just a West German city, is that what you mean?

Do you feel that guaranteed access coupled with an international free city with some part of the U.N., if not all, is unacceptable?

Secretary RUSK. I should think, Mr. Chairman, that if an international city did not have behind it the kind of guarantees that the presence of the three powers would give it, that this would be a pretty flimsy———

The CHAIRMAN. The U.N. presence wouldn't be sufficient?

VALUE OF TROOPS PRESENTLY THERE

Senator CAPEHART. Let me ask this question. What particular value is there to us in having 5,000 troops there? It has no military value. What is the value?

Secretary RUSK. I think this is the value of any token force. It is a practical representation of the commitment.

It is like the legation guard in Peiping. It is like the troops in Trieste who faced down Tito at one point.

Senator CAPEHART. But is it worth a third world war or worth a calamity?

INTERNATIONAL CITY WOULD BE QUESTIONABLE ARRANGEMENT

The CHAIRMAN. Supposing this is coupled with the United Nations force there and the United Nations presence which is of some importance? If I understood one of the statements, it wasn't saying you couldn't have them but that other people, some neutrals plus United Nations troops and so on, could stay—a token force.

Secretary RUSK. Plus the Soviet Union.

The CHAIRMAN. Plus the Soviet Union plus the United Nations, if each one wanted 5,000 there. And then it would be in character an international city, as distinguished from being a West German city. Is this unacceptable?

The matter that keeps coming to mind is that for some reason or other—I know there are various differences—the Vatican City is regarded not as an Italian city but as an international city. It doesn't belong to anyone. It is a sovereign city, and that is the sense in which I use the term "international". It isn't either an East German city or a West German city, but an international city, in which we would be entitled, if we wished, to keep 5,000 troops along with England, if it wanted to, and Sweden if it wanted to, but especially the United Nations.

Is this character of the city out of the question?

Secretary RUSK. Against the background of broken agreements and Soviet aggressions, I must say the alliance is very skeptical of the value of this kind of arrangement.

VIEWS OF BRITAIN

The CHAIRMAN. Are the British skeptical of this kind of arrangement?

Secretary RUSK. They have been thinking, studying, as have all of us, this question of possibly locating the U.N. there. It is not something that has been turned down completely and out of hand, but there is a great reluctance to put that forward until we get a better idea what the Soviets are really after.

NOTHING LEFT TO NEGOTIATE

The CHAIRMAN. I would agree that this is upon the assumption that the Russians would go very far in agreeing to access, as the Senator from Indiana mentioned. The alternative of saying it must remain as is really leaves nothing to negotiate about.

Senator CAPEHART. Mr. Secretary, I am not saying this critically, because I know that we are all just so vitally interested in some sort of a settlement here, but do you not make the thing almost an impossibility when you say that you can't believe them, and broken promises? Don't you just make the whole thing an impossibility on any arrangement that might be made? I don't say that critically, now.

Secretary RUSK. I understand, Senator.

Senator CAPEHART. I am just thinking out loud in executive session.

Secretary RUSK. This is a very fair and proper question. The puzzling thing about it is why the Soviets would stir up the kind of crisis that they are stirring up in order to get us out, against the background of their own commitments and promises, where their own vital interests are not really affected by our presence there. What is behind their move here, you see.

Senator **Capehart**. But the reality is that they are there, we are there. There is an East and a West Berlin and an East Germany, and West Berlin is 125 miles inside. Those are realities.

IS WEST BERLIN DYING?

Senator **Symington**. Could I ask you this question along those lines, if I may, following what the Senator from Indiana is talking about?

I know West Berlin pretty well. I have been there a good many times. Hasn't Mr. Khrushchev really accomplished his end, Mr. Secretary?

How can the city not just dry up as a result of the action? If you were a person in West Berlin who made $50,000, wouldn't you get out of West Berlin and take those 114 miles, based on what has happened?

Isn't this city a city that is dying, even if it isn't a city of death, as a result of what he has done already?

Secretary **Rusk**. I don't believe that this is the effect of the August 13 business. There has been some adjustment in West Berlin over the years because of its position there.

The population tends to be short of the 18- to 35-year age group. There is a disproportionate number of old people and young children in the population. But there is an active role for West Berlin. It has been tied into the economy of West Germany.

Senator **Symington**. But it has been a very heavy drain on that economy over the years?

Secretary **Rusk**. Yes.

Senator **Symington**. Eighty thousand people now are out of work, still back in East Germany. How can the city live economically under the present conditions with that wall? Isn't this going to make a psychological and economic disaster from the standpoint of the city just drying up and dying?

ANSWER HINGES UPON THE PEOPLE

Secretary **Rusk**. It should be, continue to be, a trading center between the two parts of Germany. The interzonal trade agreements are still in effect, and there is reason to think, if this thing is settled, that they will continue to grow.

It has an educational and cultural role. It can be an international meeting ground of the sort that we were talking about earlier.

Some attention will have to be given to strengthening the role of the city, regardless of the outcome of this present situation, but it would really turn a good deal on the morale of the West Berliners themselves. You can't sustain a place like that by constant injections of hope from the outside, unless the people themselves want to be there and want to have a free city.

The **Chairman**. I think what he says is taking place. John Harsh reported last week that is what is talking place now.

Senator **Symington**. That is what I would do if I lived there.

The CHAIRMAN. They are moving out very quietly, the business people are transferring their assets, and they are already——

Secretary RUSK. The statistics thus far don't indicate any sudden major——

The CHAIRMAN. That is a report, for whatever it is worth.

U.S. SHOULD INCREASE MILITARY STRENGTH

Senator SYMINGTON. I would like to ask one final question. Do you think, frankly, from the disasters that have occurred in recent weeks, that we are ever going to get any kind of a deal that means anything; that they are not just going to treat us like cats and mice, until we very greatly increase our strength?

Isn't this fellow really just making a monkey out of us all over the bloody place in these pushings that he is doing all over the world, maybe Iran tomorrow, West Berlin today, Cuba yesterday? What chance have we in the world unless we do something different than what we are doing?

Secretary RUSK. I think he is pushing very hard, Senator, and I have been on study groups over the last several years that have consistently recommended a strong increase in our military establishment because of this prospect, and I have been very much in favor of the substantial increases that have been made here in the last few weeks and months.

But I think we are in a climactic period of history, where the Sino-Soviet bloc is now trying to find out whether it is going to be able to push on with its world revolution or whether the rest of the world is going to organize to try to deal with it to meet it, and it just——

IS TIME RUNNING OUT?

Senator AIKEN. Mr. Secretary, haven't we by inference and practice come to recognize free access to West Berlin as meaning free access for the West to West Berlin?

Secretary RUSK. Yes, sir.

Senator AIKEN. That is about what it amounts to.

Secretary RUSK. Yes, sir.

Senator AIKEN. Even though technically it means free access from wherever——

Secretary RUSK. That is correct.

Senator AIKEN. How much time do we have?

Secretary RUSK. I am supposed to be——

Senator AIKEN. I don't mean today. I mean how much time before we are in more deep and violent trouble, to work out anything.

Secretary RUSK. If the other side, Senator, is prepared to sit down and work something out, this is not going to be a great problem. But if they are determined to push and push and push, then we are going to have an absolutely first class crisis on our hands.

SUPERVISED ACCESS V. SOVEREIGN CORRIDOR

Senator HICKENLOOPER. In connection with free Berlin—I don't want to hold you here any longer—could anything in connection with free Berlin be at least hopefully successful unless there were established a corridor from Berlin to West Germany? Perhaps a corridor to the North Sea, completely under the control of the practical sovereignty, the physical control and so on to the exclusion of the East Germans by independent forces.

Secretary RUSK. I doubt that there is any chance at all of getting that kind of a clear sovereignty, but I do say, Senator, that if there were arrangements which included free access, and U.N. personnel were in position to supervise the execution of that access, that this would greatly improve the present situation.

Senator HICKENLOOPER. Free access doesn't mean anything unless you have control. They can throw up all the roadblocks in the free access——

The CHAIRMAN. If that was under the U.N. rather than East German control?

Secretary RUSK. That is right. In other words, there are at least two channels whereby these access problems could be worked out without our submitting our access to the whims of the East Germans.

One would be through the U.N. and one would be West Germans and East Germans dealing directly with each other. These are contingencies that we have very much in mind.

The CHAIRMAN. That seems to me a very critical point. If they could agree, I would prefer the U.N., but if you put it in their——

ARRANGEMENTS OF INTEREST TO BOTH SIDES

Senator HICKENLOOPER. Collaboration between East Germany and West Germany would mean nothing in my judgment. It would only be a question of time until the East Germans would begin to throw the hooks, the roadblocks, confusion, and so on.

The CHAIRMAN. That would depend. They have a lot of interest in keeping it open, too—economic interests.

Senator HICKENLOOPER. I am not talking about the East German people. I am talking about the people who control East Germany.

The CHAIRMAN. It seems to me they have a lot of interest in keeping it open.

Secretary RUSK. I might just say to Senator Capehart that if I appear to be unduly skeptical or gloomy about what an agreement would mean, I must say that at Vienna Mr. Khrushchev made it very clear that they were going to keep driving; the world was going to be theirs.

Senator CAPEHART. That is right.

Secretary RUSK. So we might get some arrangement that would be so much in the interests of both sides that they would keep them for reasons of their own.

Senator CAPEHART. I said I wasn't critical.

Secretary RUSK. I realize the problem.

Senator CAPEHART. But the situation to me is just almost an impossibility.

Secretary RUSK. But I think that they are sufficiently concerned about their own situation in Eastern Europe and sufficiently concerned about the prospects of German rearmament that there are some things there that can be talked about in the interests of both sides.

NEGOTIATE WITH EAST GERMANS

Senator **Capehart**. Let me ask you another question which might seem sort of silly. What makes you believe you couldn't negotiate with East Germany on better terms for access in and out of West Berlin than you do Russia?

Secretary **Rusk**. As a matter of fact, it is entirely possible, Senator, particularly if the West Germans would do the negotiating.

This is something that I should say, Mr. Chairman. I indicated that we had not put together a precise negotiating plan because we didn't want it leaked all over the place.

We have a great many building blocks talked about among the governments that could be put into position very fast, such as the kind of suggestion Senator Capehart made. Then these things could be—we are a long way down the trail, and in an entirely reasonable negotiating position, if an opportunity for serious and reasonable negotiation opens up.

Senator **Aiken**. Is there any likelihood that the German political situation will become so bitter that one of the three major political groups there would feel inclined to soften or throw in with the East?

Secretary **Rusk**. I don't think they would throw in with the East.

Senator **Aiken**. With East Germany?

[Discussion off the record.]

The **Chairman**. Thank you very much, Mr. Secretary.

[Whereupon, at 6 p.m., the committee adjourned.]

MINUTES

FRIDAY, SEPTEMBER 22, 1961

United States Senate,
Committee on Foreign Relations,
Washington, D.C.

The committee met in executive session at 11:20 a.m., in room 4221, NSOB.

Present: Chairman Fulbright, and Senator Symington.

The nomination of Fowler Hamilton to be Administrator, Agency for International Development, was approved for report without objection.

William E. Plummer, Deputy Director for Telecommunications, Office of Civil and Defense Mobilization, Robert T. Bartley, Commissioner, Federal Communications Commission, and others appeared in support of the International Radio Regulations (Geneva, 1959) (Executive I, 86th Congress, 2nd Session). Following their testimony, the committee agreed, without objection, to report the Regulations for approval by the Senate. The committee also ordered that the resolution of ratification for the International Telecommunications Convention (Executive J, 86th Congress, 2nd Session), now pending on the Senate Calendar, be amended by striking out the last paragraph which would have had the United States declaring that the question of approval of the Geneva Radio Regulations remain open for the time being.

For report of the proceedings, see the official transcript.

[Committee adjourned at 11:40 a.m.]

MINUTES

WEDNESDAY, OCTOBER 11, 1961

UNITED STATES SENATE,
SUBCOMMITTEE ON EUROPEAN AFFAIRS OF THE
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

An executive meeting of the subcommittee was called for 2:30 p.m., in room F-53, U.S. Capitol.

The full committee was invited, to hear a briefing by William C. Burdett, Director, Office of British Commonwealth Affairs, State Department, on recent developments in British Guiana.

No record was kept nor was a transcript taken at the meeting.

MINUTES

SATURDAY, NOVEMBER 4, 1961

United States Senate,
Subcommittee on African Affairs of the
Committee on Foreign Relations,
Washington, D.C.

The subcommittee met in executive session, in room F-53, U.S. Capitol, at 10 a.m.

Present: Senator Gore (subcommittee chairman).

Senator Gore discussed the Volta River project in Ghana with G. Mennen Williams, Assistant Secretary of State for African Affairs, and Abram Chayes, State Department Legal Adviser.

No record was made of the meeting nor was a transcript taken.

BRIEFING BY SECRETARY OF STATE DEAN RUSK [1]

WEDNESDAY, DECEMBER 20, 1961

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10:10 a.m., in room F-53, U.S. Capitol Building, Hon. J. William Fulbright (chairman of the committee) presiding.

Present: Chairman Fulbright and Senators Sparkman, Humphrey, Lausche, Wiley, and Hickenlooper.

Also present: Mr. Marcy, Mr. Henderson, and Mr. Newhouse of the committee staff.

The CHAIRMAN. Gentlemen, the committee will come to order.

As a matter of fact, I did not intend this as a formal meeting. It was just a very informal chat here for the Secretary to bring us up to date. All of us have been out of town, and that is all there was to it, just a briefing session.

Mr. Secretary, I wish you would proceed in your own way, if you would, to brief us, and then we will ask you some questions.

STATEMENT OF HON. DEAN RUSK, SECRETARY OF STATE; ACCOMPANIED BY FREDERICK G. DUTTON, ASSISTANT SECRETRY OF STATE FOR CONGRESSIONAL RELATIONS

Secretary RUSK. Thank you, Mr. Chairman.

The CHAIRMAN. How long can you spare us?

Secretary RUSK. I think I have more time than you at the moment. I have set aside the morning for your disposal.

The CHAIRMAN. All right, fine. You may proceed, Mr. Secretary.

Secretary RUSK. I do very much appreciate the chance to come down today. I was surprised and pleased to hear that there were several members of the committee in town, and that I might have a chance to do this.

The CHAIRMAN. I wanted to introduce our new Assistant Secretary of State for Congressional Relations—I had that on my mind. I would like to have the pleasure of introducing our new Assistant Secretary of State for Congressional Relations, Mr. Fred Dutton.

I am very pleased, indeed, and I know the members are, and we welcome you. We look forward to many hours of consultation and the service you will render to the committee.

Mr. DUTTON. Thank you.

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[1] See Appendix C, page 711.

Secretary RUSK. If it is agreeable with you gentlemen, I would like to comment relatively briefly on a considerable number of things which have been happening since the Congress adjourned. Then we can come back to discuss any of them, at any length, which the members of the committee should like to take up in more detail.

SITUATION IN THE CONGO

First, on the Congo situation, the Katanga action.

The last 10 days or so have been especially complicated and difficult. I would like to tell the committee how we see it and what we are trying to accomplish there as far as the United States is concerned.

Senator Lausche, I had just begun, and I suggested that I comment fairly briefly on a series of things which have happened since adjournment, and then we can come back for such discussion as members of the committee would like. I was beginning with the Congo situation and the U.S. interest there, and what it is that we are trying to bring about, if possible.

We start from confidence in and a gamble on the moderate leadership in Leopoldville—[Joseph] Kasavubu as head of state, and [Cyrille] Adoula, a moderate, non-Communist Prime Minister of the Central Congo Government.

Adoula came to power in September as the result of the meeting of Parliament, a Parliament which had been elected. He became Prime Minister as a result of the meeting of the Parliament held in the closed session at Louvanium University early in the fall, and I must say at that time we were very nervous about what might be going on behind those closed doors.

We were very gratified, through direct contacts we were able to establish, as well as through some effort on the part of certain of the U.N. officials, that Adoula managed to come out of that as Prime Minister, even though he accepted formally into his government certain elements from Stanleyville about whom we ourselves had very serious doubts and suspicions.

TWO STRUGGLES

Well now, there are 2 kinds of struggles going on in the Congo at the present time: the one between Adoula and [Antoine] Gizenga elements in Stanleyville; the other between Adoula and [Moise] Tshombe, the head of the secessionist Katanga province.

We have felt that the U.S. interests lay in trying to resolve the Adoula-Tshombe problem on a basis of mutual agreement between the two of them, in order that the Adoula-Tshombe axis can then deal with and dispose of the Gizenga threat from Stanleyville. For some weeks we have been trying to bring Tshombe and Adoula together.

We have ourselves made direct representations to Tshombe. More importantly, the British, the French, the Belgians, and the Rhodesians and the Union Minière have been joining in advice to Tshombe to get together with Adoula and work out some constitutional negotiation which would leave Katanga a part of some sort of federated Congo. But for some reason none of that advice took hold.

DIFFICULTIES IN DEALING WITH TSHOMBE

Tshombe has proved to be an extremely difficult man to deal with. He would say completely opposite things within the same hour. He would send completely contradictory telegrams on the same day to the U.N.

He would agree to do what, say, the Union Minière, had advised, and then would not follow through on it. Meanwhile, he had a very active public relations campaign going abroad, financed very heavily with the funds which are at his disposal from the mining operations in the Katanga, and was engaging in some political operations seeking recognition by certain small states for the Katanga as an independent state, which cut across everything that the U.N. was trying to do, that the Western European powers were trying to do, that we were trying to do. That would have completely disrupted the possibilities of a moderate Congo because we are convinced if Katanga secedes, that what is left in the Congo will pass to the hands of Gizenga influence, and this is the thing we are trying to prevent.

U.N. TROOPS MADE MATTERS WORSE

We believe the fighting last September, which was at that time initiated by the United Nations, was a mistake. We think that the local U.N. commanders and political representatives went considerably beyond any instructions which Dag Hammarskjold had given them. They had taken on a mission out there which was not only unauthorized at that point, but also beyond their military capabilities. The U.N. forces there, weak and poorly organized, got a bloody nose out of it.

The resulting cease-fire was a blow to the prestige of the U.N. but it also put Tshombe in a position of feeling that he could, in fact, get away with his secession. It gave him a position of confidence which has been very difficult to work on.

PRESENT SITUATION IS DIFFERENT

This latest fighting was rather different because the U.N. forces there were not intending to, nor were they actually embarking upon a general campaign against the Katanga to impose a political solution. Nevertheless they came under increasing harassment from the Katangese forces themselves.

They seized these two U.N. officials at a dinner party that Senator Dodd was attending. They killed a Gurkha driver, and arrested a Gurkha major and made off with him.

There was sniping and harassment around the city, and interrupting the communications between the U.N. forces at the airport and U.N. headquarters in the city. They established roadblocks across the roads into the city from the airport, and refused to remove them after repeated requests on the part of the U.N.

U.N. OBJECTIVES CLARIFIED

This particular fighting started as a result of Katangese harassment of U.N. forces there, but when it started we were very much concerned about what its objectives were going to be from the U.N. point of view.

Some of the local U.N. people, particularly the Indian commander whose troops had been infuriated by some of these early harassments, undoubtedly had in their minds far more of an operation than either we or U.N. headquarters in New York had in mind, so we moved in quickly in the U.N. to get the limited nature of the military objective clarified. That objective is to insure the security of the U.N. forces and insure the security of their communications between the airfield and their headquarters on the edge of the city.

That has led to the occupation of certain key points in the city, from which even today desultory sniping continues to come.

TSHOMBE-ADOULA DEADLOCK BROKEN

In the situation, the prospect of getting Tshombe and Adoula together seemed rather remote. One of the problems was that Adoula refused to meet Tshombe outside of Leopoldville, and Tshombe refused to go to Leopoldville because he had fear of his personal safety. That was a legitimate fear on his part because of his experience in Leopoldville earlier, and because there was no one in a position to guarantee his personal safety.

This deadlock was broken in the past 2 days when President Kennedy sent a plane down to Northern Rhodesia to pick up Tshombe, accompanied by the American consul and accompanied by Ambassador [Edmund A.] Gullion, to fly him up to Kitona in a U.S. plane, Kitona being a U.N.-held air base not far from Leopoldville.

Meanwhile, pressure had to be put on Adoula to get him to agree to meet in Kitona rather than in Leopoldville, and on both of them not to create impossible conditions or demands in advance of talks.

The present situation is that those talks are going on. We are going to try to keep them talking rather than have one side or the other put up an ultimatum that would break them off.

AIMS AND PROSPECTS

Meanwhile, the U.N. orders to their forces in Elisabethville is to do no firing unless shot at. There is, for all practical purposes, a cease-fire, with some occasional sniping and counterfire going on at the present time.

As far as we are concerned—although it is not for us to give the final word on this—we would be glad to see, however loose, a federation or even a confederation of the Congo which would keep Katanga a part of the total national scene, not only with respect to sharing the finances in the way in which the Belgian Congo had shared them, but also in terms of giving Adoula additional moderate support from the Katanga in his forthcoming struggle with Gizenga.

Gizenga is over in Stanleyville. For all practical purposes, he has seceded. Plans have been already laid and the declarations have already been written, so that as soon as we get a Tshombe-Adoula modus vivendi of some sort, Adoula then expects to move against Gizenga to clarify that situation. The U.N. is prepared to deal with that secession in the same way in which they have tried to deal with it in Katanga.

These are gambles. We cannot guarantee an outcome, but this is the thing that we are working toward. We want to create a situation there which will not make it possible for the [Patrice] Lumumba-Gizenga wing of the Nationalist Party to take over the rest of the Congo, leaving a seceded Katanga as the only element of possible stability in that part of Africa.

Meanwhile, we know from intelligence sources that the bloc is standing by to throw in substantial support behind Gizenga if they have half a chance to do so. There is that threat on the horizon, to which we are trying to be very alert.

TAKEOVER OF GOA

Now, in Goa, that operation has been completed.[2] The casualties there were very slight.

We looked upon this as a most unacceptable use of force, under the circumstances, to settle the problem. For 14 years there have been efforts made to get the Indian and the Portuguese Governments to talk over these questions, to try to find some solution for them.

The British and the French have managed to find solutions to their holdings in India which left Britain and France in a stronger position in India than they held before or when they were in actual rule of the place. There are more British and more French investments in India today than when Britain occupied the country. The French have greatly improved their relations with India as a result of the settlement of the Pondichéry situation, for example.

The **Chairman**. Did they give that up entirely?

Secretary **Rusk**. They have given it up, but with some very satisfactory agreements, with the result that the position of the French in Pondichéry and the reservation of the French influence in that part of India is so that the French are quite pleased with it. As a matter of fact, they put the final settlement before their parliament 2 days before the Goan fighting broke out.

We have made continuous and very strong efforts in Delhi to prevent the use of force in this situation. What apparently happened was that, and I assume, Mr. Chairman, this is very much an executive session——

The **Chairman**. As far as I am concerned it certainly is. I hope we can talk about these things without any leaking, because I am very much interested in this, particularly this type of thing—of your being able to speak frankly and openly on this. I expect to be. If you want anything particularly of a personal nature like this off the record, you just take it clear off the record.

Secretary **Rusk**. I might just leave this portion of it off the record.

[Discussion off the record.]

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[2] On December 18, Indian forces invaded and annexed the Portugese colony of Goa.

The **Chairman**. Back on the record.

Secretary **Rusk**. On the Dominican Republic——

INDIA'S DEFENSE MINISTER

The **Chairman**. I wanted to ask about Krishna Menon. Is there nothing we can do about him? From what you said, he confirms what I thought about him.

Secretary **Rusk**. Well, there are a good many Indians who were hoping he would lose his election at this time, and they put up a very strong candidate against him.

The **Chairman**. This is going to save him?

Secretary **Rusk**. This probably saved him.

The **Chairman**. Yes.

Secretary **Rusk**. We have done about as much as anyone can, that is, the earlier administration and this one, in terms of trying to talk things out with him and trying to get him to make more sense. I suspect this is a hopeless case. He has personal commitments, both anti-American and pro-Soviet, that would be very hard to shake him loose from.

Senator **Hickenlooper**. He was a candidate for Parliament in England on the Communist ticket.

The **Chairman**. He is terrible.

Senator **Hickenlooper**. He is a pious fraud.

Secretary **Rusk**. He is a man who cannot tolerate agreement or serenity. He keeps stirring up everything that he can.

The President had a most disagreeable half hour with him when Krishna Menon came down at Nehru's [3] suggestion to call on the President to see if we could not find some amelioration.

Cabot Lodge [4] spent many, many hours with this man trying to get him to see what we were after and trying to get more help and understanding from him. But I think we cannot count on that man to give us any aid and comfort whatever.

The **Chairman**. He is a terrible fellow, I think.

LEGAL ASPECTS OF GOA INVASION

Senator **Sparkman**. Let me ask you this question before you leave Goa.

Secretary **Rusk**. Yes.

Senator **Sparkman**. You say it is a fait accompli. Does that mean that Goa is a part of India now and not a part of Portugal, and is Portugal simply going to accept it?

Secretary **Rusk**. Well, there is a legal, constitutional problem, that will have to be worked out over time. It may take years to do it, and there are a good many Portuguese interests, property and otherwise, there that will have to be resolved. I think we will be in for some years of discussion between the Portuguese and the Indian Governments about how this thing can be wrapped up.

Senator **Hickenlooper**. What legal basis does India have to claim Goa, these other enclaves? They were in existence long before India was ever in existence.

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[3] Indian Prime Minister Pandit Jawaharial Nehru.

[4] U.S. Ambassador to the United Nations, Henry Cabot Lodge, Jr.

Secretary Rusk. We saw no legal basis.

Senator Hickenlooper. It is only the land mass.

Secretary Rusk. As a matter of fact, this question went to the International Court, you will recall: the Portuguese sovereignty or, rather, possession—call it sovereignty if you like—and its right of access to its enclaves. It went to the International Court, and the International Court held for Portugal. So I think there is no question at all about the legal position, Senator Hickenlooper. This is one of those——

The Chairman. I did not realize that. When did it go to the Court?

Secretary Rusk. I think it was about a year and a half or two years ago. I will get you that specific information. But Portugal did win its case, and the Indians would never be willing to adjudicate this case because they would lose on the legal grounds.

OTHER ACTIONS BY INDIA

Senator Hickenlooper. You have the same problem in Kashmir—not the same exactly, but we have a similar case, where India will not conform to the United Nations' position and do nothing there.

Secretary Rusk. I think it is fair to say, Senator, despite what people call the image that India has tried to create or managed to create over the years, that where their own immediate interests are concerned, they act with great dispatch.

Senator Hickenlooper. Except when the Communists come into their north territories, they do not. They take that on the chin.

Secretary Rusk. Well, they are doing some things that show a lively reaction on that. They are doing some things. The Indians are reacting in Tibet and other places in a way that is stirring that thing up a bit, and they are increasing their posts and their border patrols and their forces up there.

But when Hyderabad showed signs of not wanting to come into the Indian Union after partition, India just moved an army division in, and that was the end of that. Then when the Kashmir question came up and the U.N. called for a plebiscite, to which India first agreed—the plebiscite is dead, and as far as Nehru is concerned, he says they will not settle except on the basis of the existing status quo in Kashmir.

The Goa situation is another instance of using direct force, what international law used to call in the old days self-help, to achieve their purposes.

GOA'S FUTURE

Senator Sparkman. Has India occupied Goa—will she occupy Goa; will she keep it occupied?

Secretary Rusk. It is occupied now.

Senator Sparkman. Yes, but I mean, will she maintain an armed force there?

Secretary Rusk. They have said they will incorporate Goa into the Indian Union as a separate enclave, as it were—a separate community inside the Indian Union—but it is a fairly rich prize. It has a good port; it has some important industry. Its living standards are approximately five times that of the surrounding countryside, and it is a valuable prize for them to pick up.

BASIS FOR U.N. INTERVENTION

Senator **Lausche**. Mr. Secretary, what bothers me about Goa is that in Goa there is a definite transgression of the sovereign rights of Goa, and the United Nations refuses to go in. In the Congo comparatively—at least, if there was a transgression, it was inconsequential. The situation in the Congo is that there is a domestic disturbance and revolution, and the United Nations does go in.

Now, my question is, is the United Nations acting under definite principles of laws or are they acting merely as men, deciding to go in or stay out according to their whims?

Secretary **Rusk**. I think the situation is somewhat different in the two places. The United Nations is in the Congo at the request of the Congo Government, and it is there under a series of resolutions which give the U.N. forces certain missions with respect to preventing civil war and maintaining order, and preparing a situation which would make a peaceful settlement of the internal problems possible.

The United Nations does not have the mission, the authority, to impose a particular political settlement in the Congo. This we have insisted on our part as something which has to be left to conciliation among the Congolese leaders, as I indicated earlier, between Tshombe and Adoula.

In the case of Goa, Senator, it boils down to the hard practical facts of life. The U.N. has no way of doing it unless someone with enough power to do it would be willing to do it on behalf of the U.N. and that points straight to ourselves, the British; the big powers.

The Soviet Union undoubtedly would back India in such a struggle, and so we have not felt that Goa was worth a war, however much we regret the way that it was done.

LACK OF SUPPORT IN U.N.

Senator **Lausche**. May I put this question?

Secretary **Rusk**. Please.

Senator **Lausche**. Lumumba asked us to go into the Congo, did he not? And here the Portuguese Government asked us to go into Goa.

Secretary **Rusk**. No; the Portuguese have not asked us to go into Goa nor asked the U.N. to go into Goa.

Senator **Sparkman**. They did not ask anybody.

Senator **Lausche**. How did it come before the U.N.?

Secretary **Rusk**. It came because we, the U.K., France, and Turkey—well, Portugal called upon the U.N. to condemn this violence and called for a cease-fire, and the four countries I just named introduced a resolution in the Security Council to do just that, and that was vetoed by the Soviet Union.

Now, it would be possible under the procedures of the Assembly to move from the Security Council immediately into the General Assembly. The facts are, Senator, that in the General Assembly you would not get two-thirds—you probably could not even get a majority—of the present members of the General Assembly to support any actions against India over this particular issue.

Senator HICKENLOOPER. Could you get them to support a declaration against India?

ACTION BASED ON EXPEDIENCY, NOT PRINCIPLE

Senator LAUSCHE. Let me state my proposition. Was it not Lumumba who asked us to go into the Congo? Wasn't he Premier at the time?

Secretary RUSK. I believe that is correct.

Senator LAUSCHE. So when Communist Lumumba asked us to go in, the Soviets joined in the Security Council resolution.

In the Goa situation, it makes no difference whether Portugal asks us to go in or some other nation. According to the U.N. Charter, it calls attention to a condition that might endanger peace throughout the world, and the United Nations may act.

We go into the Congo at Lumumba's request. We do not go into Goa although the Goan Government, Portugal, asked for some action; our government asked for action.

My point is that you obviously do not operate under laws or principles. You act according to expediency. The Soviet Government is voting for those things that will serve her in voting against, and I cannot bring myself to a reconciliation of how you are ever going to have in that body, action that will be rooted in principle or law as distinguished from the whims and caprices of men.

Secretary RUSK. Senator, you are quite right on that. Adlai Stevenson made a very strong statement at the U.N. yesterday pointing to this double standard, and he has filed for debate in the Assembly this entire question of obligations for peaceful settlement under the Charter, and procedures by which such peaceful settlement should be obtained.

He made a very strong statement on this double standard.

Senator LAUSCHE. I know he did, yes.

ISSUES TAINTED WITH COLONIALISM

Secretary RUSK. The same question is going to come up in due course with regard to West New Guinea——

Senator LAUSCHE. Yes.

Secretary RUSK [continuing]. Where the problem seems to be, shall we say, "tainted with colonialism." It is extremely difficult to mobilize opinion in the existing General Assembly, with these 104 members, for the processes of peaceful settlement.

Senator HICKENLOOPER. Mr. Secretary, you say, "tainted with colonialism."

Secretary RUSK. I am putting it in the terms——

Senator HICKENLOOPER. I understand; I am not objecting to your statement. I think the statement is probably sound, but it is tainted with colonialism both ways. I think just as sound an argument can be made for India tainting Goa with colonialism right now against Portugal; in fact, a better case, because Portugal had Goa before India was India. There were a bunch of tribes and other people running around splitting India up, and so on.

Secretary **Rusk**. The reason I tried to put "tainted" in my statement in quotation marks is because this is a remark the Afro-Asians are likely to use.

But in both these cases the issue we are talking about, the issue of colonialism, runs in both directions. In other words, there was a colonialism issue between Portugal and Goa, and there is also one between India and Goa, depending upon what the Indians think about it. We could not get either the Indians or the Portuguese to say, "Let us ask the Goans and see what they think about it." The same thing is going to occur in West New Guinea.

SELF-DETERMINATION IN THE CONGO

Senator **Hickenlooper**. I can translate it into the Congo. What do the Katangese think about it?

Secretary **Rusk**. In the Congo you have about 14 million people. Tshombe's followers are about a million of those, and those were in the Southern Katanga. If you talked about self-determination for Tshombe's particular group, you would not even cover the Katanga; you would have to consider self-determination for the Balubas who are in the Katanga and have been oppressed by Tshombe's group as vigorously as anybody can be.

You have about 25 or 30 tribes in the Congo which have no sense of national unity yet at this point, and as each one of those broke up, you would have complete chaos and confusion throughout that country. So this principle of self-determination, I think, has only a limited application in a situation like that.

Senator **Hickenlooper**. I admit that. I am not saying that is the ideal solution, but I am just saying that you can apply the same argument to one as to the other. It is all one ball of wax and a can of worms that is mixed up here.

If we are going on principle, that is one thing. If we are going on expediency, that is another.

ATTITUDES TOWARD BIG-POWER FORCES

Senator **Lausche**. To point out my position, let us take a look at Cuba. If Castro had asked the United Nations to come in when this invasion was attempted, what would have been the situation?

Secretary **Rusk**. They would not have.

Senator **Lausche**. So we would have voted against it, and that leaves me in this quandry of how effective it can be. With us it is communism. With the African and Far Eastern countries it is colonialism. With the Soviets it is freedom and colonialism.

Secretary **Rusk**. I think, Senator, that there have been some very important changes in this U.N. picture in the last 10 years with the mutiplication of membership, and also in some of the attitudes there about the use of armed forces.

I myself believe it is a great mistake for the United Nations to rule as a matter of operating doctrine that no one of the great powers can provide troops for U.N. actions anywhere, that the smaller powers have got to do this.

U.N. FORCES HAVE LIMITED CAPABILITIES

Now, one of the effects of this is that it seems to put us in the same position as the Soviets, that a U.N. action cannot be tainted by U.S. participation. Also it leaves U.N. forces in a very feeble position in a situation such as the Congo. There is no back-up; there is no supply logistic power and support behind it.

There is the conglomeration of forces there which have the most limited military capability. Most of them are rather poorly trained; many of them are poorly disciplined.

The Swedes and the Irish and the Gurkhas are about the best as far as military capacity is concerned.

When they get themselves in what might be even a small combat situation, the armed forces of these countries are not the ones that can do the job. I think we have to watch that pretty carefully in the future to see what kind of missions the U.N. would be willing to undertake.

CONGO CASUALTIES

Incidentally, in all of this fighting in the Katanga which has put so many headlines all over the world, there have been only 18 U.N. deaths in the fighting. This is distressing as it is, but this is a small amount of fighting.

Senator **Humphrey**. We got more than that last week—off the record.

[Discussion off the record.]

Secretary **Rusk**. The casualties on the other side, of course, are rather heavy.

Senator **Lausche**. What is the other side?

Secretary **Rusk**. We have not the final casualties.

Senator **Lausche**. Who do you mean by the other side?

Secretary **Rusk**. The Katangese constabulary, and the so-called mercenaries, although that phrase no longer is relevant because the mercenaries and the white volunteers are now indistinguishable. In other words, a good many of the white people in the South Katanga joined up to take their part of the sniping at the U.N. forces, and to resist, so that between the 150 or 200 soldiers of fortune—French, Belgian, Rhodesian, and others who were in there strictly for pay—and the local volunteers who felt strongly about this and wanted to help out, the difference now is rather insignificant.

REMOVAL OF MERCENARIES SOUGHT

The governments, by the way, of all of these countries from whom these soldiers of fortune came have been doing everything that they can to get those particular individuals out, but they are there as freebooters, and there is no way in which they can control them.

Spaak in Belgium has staked his political life on close cooperation with the U.N. in the Congo. He tried to turn their policy around when he became Foreign Minister and, of course, he is under very severe pressure at the present time because of what has happened there.

UNION MINIÈRE'S ADVICE

The **Chairman**. I was very much interested in what you said. You said the Union Minière was advising Tshombe to give in. Is that true? Are you sure of that? I was surprised. I thought they would be behind Tshombe urging him not to.

Secretary **Rusk**. Both we and the Belgians have been consulting closely with the Union Minière, and our intelligence confirmed what the Union Minière tells us that they were saying to Tshombe.

Senator **Humphrey**. What is the Union Minière?

Secretary **Rusk**. That is the Union mining concession in the Katanga. It is a Belgian-British outfit.

The **Chairman**. You think they really have been bringing pressure on Tshombe to make some kind of adjustments?

Secretary **Rusk**. Well, they have been advising him to do it.

Now, when we talk about their putting pressure on him—because they are responsible for about $50 million a year of his money, they cannot put that kind of pressure on him, because Tshombe has said, "Well, you do that and I will nationalize you; I will just take you over."

So there are limits on what they can do in terms of real persuasion under these circumstances.

BRITISH WITHDRAWAL

Senator **Sparkman**. Let me ask this question.

Secretary **Rusk**. Yes, sir.

Senator **Sparkman**. I saw a headline yesterday—I did not read the article, I do not know why—which said that Britain was saying it might have to leave the U.N. on this Congo question. Did it mean withdraw from the U.N. or just withdraw from support in this particular operation?

Secretary **Rusk**. Withdraw from support in this particular operation.

Senator **Sparkman**. Well, I thought it probably meant that, but I was rather disturbed.

KATANGA LOBBY PROPAGANDA

Secretary **Rusk**. I was in NATO last week—and I will come back to that visit to Paris in a bit—but on the Congo business, you had, I think, three things coming into consultation across the Atlantic in about a week's time. You had, first, the fact that the Katanga lobby has been very active indeed in Belgium, Britain, and France. They have spent a lot of money, they have got a lot of propaganda out, and this has created a very considerable reaction.

Senator **Sparkman**. How about in this country?

Senator **Humphrey**. How about the office in New York which has private airplanes and flies speakers around?

Secretary **Rusk**. There has been a great deal of that going about here. I indicated earlier to members of the committee, as far as we are concerned, we would be very glad to have this thing investigated, provided we investigated all of it; provided we investigated Tshombe's operations and activities abroad, as well as the situation in the Congo itself.

Senator **Humphrey**. Are these people registered as foreign agents?

Secretary **Rusk**. They are.

Senator **Humphrey**. Excuse me, at New York?

Secretary **Rusk**. They are.

Senator **Humphrey**. Can we get a listing?

U.N. APPEARANCE UNLIKELY

Senator **Sparkman**. By the way, I saw in the paper that Tshombe said he might come over and speak to the U.N.

He does not have access to the U.N. does he?

Secretary **Rusk**. He does not.

Senator **Hickenlooper**. By invitation, I suppose.

Senator **Sparkman**. Except by invitation.

Secretary **Rusk**. I think it very unlikely that the U.N. would permit him to speak, given the political situation in the U.N. on this point.

EUROPEAN ATTITUDES TOWARD U.N.

In Western Europe you have the direct economic interests which translate over into a good many Europeans actually living in the Congo, and this creates special concern among European countries. Also, in Belgium, Britain, and France there is a good deal of resentment that some of the U.N. activities in the past directly related to specific problems of theirs, not as particularly related to the colonial question. So there is sort of a cynicism and hostility toward the U.N. in those countries which made itself felt in this kind of a flare-up.

There was this past week a very serious parliamentary situation in the House of Commons and in the Belgian Parliament over this position. For about 2 days there was a real question as to whether the government would fall through the defections of its own back benches on this matter. This was a rather narrow thing, although when the vote was actually cast they had withdrawn their offer of bonds, and there had been certain other things which took the sting out of that opposition.

Senator **Wiley**. Was that due to Indonesia?

Secretary **Rusk**. No, this was due chiefly to the Katanga problem, and the impact of that on public opinion in those Western European countries, and also in this country.

NATO VIEWS ON CONGO

I would like to report one incident for the information of the committee. On the first day of the NATO meeting, when we were talking about general world problems, this question of the Congo did come up. Four of us spoke, Britain, France, Belgium, and myself.

There was no disagreement on what the object was. The object was to get Tshombe and Adoula into talks, to get them to reach a settlement, and to get this fighting stopped.

There was some difference of emphasis upon timing and how you ought to do it. I think in Europe they would worry more about the bullets that the U.N. were firing. We were, the U.N. people were, worrying about the bullets that the Katangese were firing, and we were worrying about both of them, so there was some difference of approach for about 48 hours there.

ERRONEOUSLY REPORTED DIFFERENCES

Then it was leaked to the press after this meeting, not through the NATO press officer who was responsible for briefing the press—a story was put out to the press that we did not hear about until it was too late, that the United States was in a 14 to 1 position on the Congo in NATO.

I think that report tended to stir up a good deal——

Senator **Humphrey**. I saw that here in the papers.

Secretary **Rusk**. Don Cook had a story in the Herald Tribune and that was played up by others.

Well, the next morning other members of NATO were very much incensed about this, and several countries indicated that this did not represent their views. Norway, Canada, and others expressed themselves on this matter. But this leak of the story that we were 14 to 1 in NATO on the subject——

Senator **Hickenlooper**. 14 to 1 against us?

Secretary **Rusk**. 14 to 1 against us. Wholly erroneous, this story, in effect, did help the parliamentary situation in the House of Commons across the Channel, so we would guess perhaps this leak was a British leak in some fashion.

SECURTY COUNCIL RESOLUTIONS

Senator **Lausche**. Pertinent to this subject, Mr. Secretary, will you reconcile what the United Nations is doing in the Congo with this statement made on August 9, 1960 by the Security Council:

> The Security Council reaffirms that the United Nations force in the Congo will not be a party to or in any way intervene in or be used to influence the outcome of any internal conflict, constitutional or otherwise.

What has become of this declaration?

Secretary **Rusk**. Well, there has been a later resolution in which the U.N. forces were given the mission of preventing civil war.

Senator **Humphrey**. February 1961.

Secretary **Rusk**. February of this year.

Senator **Lausche**. Then it means that this declaration has been nullified, and now it is the purpose of the United Nations to intervene in procuring a settlement of the internal conflict, constitutional or otherwise.

ENCOURAGEMENT V. FORCE

Secretary **Rusk**. Senator, I think there is a distinction between U.N. activity to bring about an agreed settlement among the Congolese leaders and U.N. efforts to impose a settlement by force.

I realize that under the circumstances it is difficult for me to be convincing on this point, but I myself do not believe that there would have been resumption of fighting 10 days ago had the Katangese left the U.N. forces alone in their security in the airfield and in their routes in and out of the city.

In other words, I do feel it was Katangese initiative with arms that precipitated this recent fighting, because there was no—we and the British, the French, the Belgians, and the Rhodesians were working very hard at that very period to get Tshombe and Adoula together to conciliation, and it was not in the interests of that effort to have this fighting break out.

FIRST DECLARATION AUGMENTED

Senator LAUSCHE. May I ask this again then——

Secretary RUSK. Yes, sir.

Senator LAUSCHE [continuing]. If it was not the intention of intervening to settle the internal conflict, constitutional or otherwise, why was this declaration of 1960 abandoned?

Secretary RUSK. I did not say that that declaration has been repealed. I am saying that there were additional declarations in resolutions this year which gave the U.N. forces additional missions; for example, to prevent civil war, to retrain Congolese forces, to try to remove the so-called mercenaries, and to conciliate the political differences.

NOT A REGULAR BUSINESS

Senator LAUSCHE. All right. Now, let me put this question.

Secretary RUSK. Yes.

Senator LAUSCHE. If you are going to stop civil wars, in which countries will you stop them, and in which won't you stop them? Will you stop them in the Dominican Republic? Will you stop them in Cuba?

Secretary RUSK. Well, this is—I would not suppose that the U.N. would be drawn into the regular business of intervening in an actual civil war.

What happened was that they were drawn into the Congo under those circumstances, and then they were there, and then they had a situation on their hands. If the Congo went up in smoke in a civil war, then we all would have been confronted with some very serious questions indeed about what we do with our forces. The Soviets would get themselves stirred up over that kind an issue, and we would have had a very dangerous situation there indeed in the Congo.

BACKGROUND OF U.N. INVOLVEMENT

Senator HUMPHREY. May I ask a question?

Secretary RUSK. Yes, sir.

Senator HUMPHREY. Let us just trace this development of the U.N. participation in the Congo.

You indicated a while ago, or stated, that the Congolese Government had asked for the U.N. in the Congo. That was a government headed by Patrice Lumumba, is that correct?

Secretary RUSK. I want to double check that, because whether it was Kasavubu who asked that or Lumumba who was then——

Senator HUMPHREY. Let us get the facts on it.

Secretary RUSK. I want to check that, if I may.

Senator HICKENLOOPER. At least it was a government headed by Kasavubu as President and Lumumba as Prime Minister. I do not know who asked for it.

Secretary RUSK. That was shortly after the revolt of the troops, when the whole thing went into complete disorder.

Senator HUMPHREY. Isn't it the fact that Kasavubu and Lumumba, the Kasavubu-Lumumba government, first requested United States help in the Congo—United States help?

Secretary RUSK. I do not recall that, Senator.

Senator HUMPHREY. I think they did.

Secretary RUSK. I was not involved personally at the time.

U.S. SUGGESTED APPEAL TO U.N.

Senator HUMPHREY. Is it not a fact that we said for them to go to the U.N., and they went to the U.N. because the Belgians were moving troops into the Congo?

Secretary RUSK. There were some Belgian troops being moved in, allegedly to protect Belgian citizens there.

Senator HUMPHREY. Belgian interests.

I think we ought to get the details of this down in the record.

Secretary RUSK. I thought I had it on paper here.

Senator HICKENLOOPER. As a matter of fact, didn't the Belgians move in under an agreement that they had, an agreement to protect Belgian interests there?

Senator HUMPHREY. The Congolese Government felt the Belgians were breaking the treaty and, as I recall, appealed to the United States for assistance. We rejected that, and they said that if they could not get it from us, they would go to Russia. You may recall that we suggested that they go to the U.N.

The Russians were delighted to move in, and it was the U.N. that moved in to prevent the Russians from moving in.

Secretary RUSK. And then it is the Congolese Government that sent the Russians home.

Senator HUMPHREY. That is correct; the Congolese Government dismissed the Russian delegation and sent them home, and it was heralded then at that time that the Russians had suffered a major defeat in the Congo.

Secretary RUSK. That is right.

CRITICISM OF U.N.'S DAYAL

Senator HUMPHREY. Then Patrice Lumumba was murdered and Kasavubu or Mobutu—who is the Chief of Staff of the Congolese Army—were very critical of Mr. Dayal.[5]

Secretary RUSK. That is right.

Senator HUMPHREY. And we were likewise critical of Mr. Dayal. Why? Because, as I recall, under the September 1960 resolution, Mr. Dayal said, "I cannot move. I have instructions by the U.N. not to use force to influence the outcome of either a constitutional or other crisis."

I can recall the press lambasting Dayal, and finally we got this man down here when he was about to be removed, ready to be removed. We had him in the back room for a visit. Every Member of Congress practically was saying that this Indian Dayal was pro-Communist because he would not use the U.N. troops.

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[5] Rajeshwar Dayal, personal representative of the U.N. Secretary-General in the Congo.

RESOLUTION OF FEBRUARY 1961

So after Dayal was on his way out and a new man was being installed to represent the U.N., which this government supported, then came the February 1961 resolution——

Secretary RUSK. That is right.

Senator HUMPHREY [continuing]. Which this government supported and which, as I recall, the Soviets did not support, directing the U.N. forces to apply force, in other words, to restore——

Secretary RUSK. If necessary.

Senator HUMPHREY [continuing]. If necessary, to restore law and order.

PROPAGANDA CAMPAIGN

Now, I think, Mr. Secretary, that there has been the worst kind of propaganda in this country on this Congolese situation.

Here is a province of Katanga that most Americans had never heard of in their lives, and, what is more, with the exception of a handful of people, no one ever knew who any of these leaders were. Suddenly we have got ourselves in an uproar over an area in the Congo which is rich with minerals, owned by foreign capital, and on its face smells to high heaven of sheer jingoistic propaganda.

I think it is the duty of the State Department to tell the members of this committee, at least give us an estimate, of how many propagandists are working the field for the Katanga Government or the Katanga secessionists.

I think you also have an obligation to tell us the names of the foreign agents who are working in this country who are supposedly registered, and where their offices are and what their activities are, because, it is an interesting thing: Dayal was criticized for not using force, and now the U.N. is being criticized for using force, and they are aiding and giving comfort to the Communists. A man who is a Holy Roman Catholic [Conor Cruise] O'Brien of the Irish Forces, leading the U.N. troops for a long period of time, resigns in disgust, charging the British and the French with outright interference in the operations of the U.N. forces.

Now, I do not know what the truth is about all of this. All I know is that the U.N. is being crucified on this cross of the Congo, because what is really happening is complete distrust being fomented in this country about the U.N. in its activities in the Congo, and making Mr. Tshombe like he is a patron saint, which he ain't, to put it in the vernacular.

POLITICAL LEANINGS OF CONGO'S LEADERS

Secretary RUSK. There is, I want to emphasize it, there is no issue of communism between Adolua and Tshombe.

Senator HUMPHREY. Not a bit.

Secretary RUSK. This is not the issue at all; just the reverse.

Senator HUMPHREY. Is Adoula a Communist, Mr. Secretary?

Secretary **Rusk**. He is not a Communist.

Senator **Humphrey**. Is Tshombe a Communist?

Secretary **Rusk**. No, he is not.

Senator **Humphrey**. Is Mobutu a Communist?

Secretary **Rusk**. No.

Senator **Hickenlooper**. Neither is Castro.

Senator **Humphrey**. Well, Castro said he was.

Senator **Hickenlooper**. I know, but propaganda-wise he was not a Communist, but a nice boy just trying to do a job. [Laughter.]

Secretary **Rusk**. I think Adoula is a man we can afford to bet on, Adoula and Kasavubu.

Senator **Humphrey**. Is Adoula a friend of the United States and of the West?

Secretary **Rusk**. Yes.

Senator **Hickenlooper**. Now, Senator——

Senator **Humphrey**. May I just finish my questioning? Is Mobutu?

Secretary **Rusk**. Yes, I think he is.

Senator **Humphrey**. Is Kasavubu?

Secretary **Rusk**. Yes.

SELECTION OF PRESIDENT AND PREMIER

Senator **Humphrey**. Is Kasavubu the elected President of the Congo?

Secretary **Rusk**. He is.

Senator **Humphrey**. Who elected him.

Secretary **Rusk**. He was elected in the original elections which elected the Parliament under the Loi Fondamental.

Senator **Humphrey**. Who was Kasavubu's opponent?

Secretary **Rusk**. Lumumba.

Senator **Humphrey**. No.

Secretary **Rusk**. Wasn't he?

Senator **Humphrey**. For the presidency.

Mr. **Henderson**. As I remember, if I may speak on this question, I believe the Parliament agreed on Kasavubu rather than elected him. Lumumba was elected by the Parliament. It was an arrangement really between Kasavubu and Lumumba that one would be the President and the other would be the Premier.

Senator **Sparkman**. The real challenge though, was Gizenga.

Secretary **Rusk**. After Lumumba's death he was the heir.

GOVERNMENT NOT APPOINTED BY OUTSIDERS

Senator **Humphrey**. What I am trying to establish is that this Government of the Congo was not appointed by the Belgians or the U.N. or the Russians.

Secretary **Rusk**. We have information——

Senator **Humphrey**. I say in the Congo.

Secretary **Rusk**. Yes, I know. We have information that back in the pre-independence days the Union Minière was supporting several candidates, including Lumumba, and that they provided a good deal of the funds by which many of these fellows ran their elections. After the elections, as frequently happens, some of these fellows jumped the track.

[Discussion off the record.]

Senator **Humphrey**. What I am getting at, at least there was a parliamentary election.

Secretary **Rusk**. There was an election, but there were strong influences.

Senator **Humphrey**. There are strong influences in American elections. People do not run on faith, hope, and charity here, even though some of them pretend they do.

CONSENSUS REACHED IN MARCH

What about the March meeting of this year? What about March 1961, didn't the leaders of the Congo areas get together and agree on a certain program for the Congo and the constitution of its government?

Secretary **Rusk**. Yes, but that was so verbal it did not really amount to much of an agreement. It did not stick.

Senator **Humphrey**. Was Mr. Tshombe at that meeting?

Secretary **Rusk**. He was a participant.

Senator **Humphrey**. Did he agree to that verbal agreement?

Secretary **Rusk**. Yes. It is my understanding that he did.

Senator **Humphrey**. Was that reported in the press?

Secretary **Rusk**. Yes.

Senator **Humphrey**. I read the press and I believe it said there were 18, something like 18, prominent leaders that had agreed upon a government and the type of government there would be.

Secretary **Rusk**. That is right.

Senator **Humphrey**. And the parliament was called again?

Secretary **Rusk**. Right.

Senator **Humphrey**. Was Mr. Gizenga present?

Secretary **Rusk**. Whether he was physically present at Louvanium I am not certain.

Senator **Humphrey**. I do not believe he was.

Secretary **Rusk**. His representatives were there. I do not think he personally was.

ONE-SIDED INFORMATION

Senator **Humphrey**. Mr. Secretary, all I am trying to do here by these questions is to point out that this government has not laid before the American people what it believes to be the facts relating to the Congo in sufficient preciseness and with sufficient repetition to overcome the unbelievable confusion that reigns throughout the country relating to this Katanga operation and, as a result, the people are becoming discouraged and disgusted with the U.N.

I want to say that I made two talks in the Senate on this situation, prepared and helped by my friend, Mr. Henderson, and by the State Department. They were good talks, primarily because I did not have much to do with them, I suppose, but not one word appeared in the newspapers, not one.

What is more, yesterday I sat down with Mr. Jack Bell of the Associated Press and gave him my side of the story on this Congo operation, and I read the story this morning—not one word. A couple of little quotes at the bottom from Senator Sparkman, just a little quote from Capehart, but the main body—and I saw you visiting with him at some length. There is for some peculiar reason in this country a deluge of propaganda that comes from Katanga, but an unbelievable dearth of information that comes from the State Department or those who are the proponents of the State Department's argument.

UNDER SECRETARY BALL'S STATEMENT

Secretary Rusk. Did you check this morning's New York Times there to see whether in that edition there is Under Secretary [George] Ball's major statement on the Congo in Los Angeles yesterday?

The Chairman. It was in this morning's Post.

Secretary Rusk. It is in the Post, but I saw one——

Senator Sparkman. I heard it on the radio.

Secretary Rusk. I saw one section in the New York Times which did not have it in it.

Senator Humphrey. I saw Ball's statement, but all I want to say, Mr. Secretary, is that the statements become so complicated that if you think you are going to establish your case by a logical presentation of the facts as you see them, then, may I say, your chances of being the first man to the moon are better than being able to win this argument.

AIDING THE SOVIET CAUSE

I think this has got to be simplified. I think there is a direct attempt under way here to undermine the U.N.

When Mr. Stevenson made this statement about this being the first act in the drama of the death or, so to speak, of the U.N., every newspaper grabbed it. Every one of them throughout the country that I have been able to get my hands on grabbed it, and I think we are aiding and abetting the Soviet cause.

Khrushchev is determined to kill the U.N. He is determined either to weaken it, own it, or kill it. I have never seen the likes of it; we are aiding and abetting it. I want to say that I think it is incredible that this kind of loose talk is going on and we are not fighting back the way we ought to, because if this U.N. goes down the drain, Mr. Secretary, there is only one way to answer the problems from here on out, and you know what that is; namely, the United States to be involved in every cat and dog fight in the world.

PUBLIC INFORMATION ON INDIA NEEDED

About this India thing, I think it was outrageous what Mr. Nehru did. But I want to say that if we had a Spanish enclave on the coast of California and the British one still hanging on the coast of New England, I would not be a bit surprised but what some of the same jingoism which gripped this country in 1848 in the Mexican War—an uncalled for war, a sheer war of aggression that every historian knows about, which is a part of our history—that it would have happened again.

Now, these are just the facts of life. This Goa business in India is an antiquity. You cannot justify this, and I think this Government has an obligation to report to the American people.

Has Mr. Nehru tried to negotiate with the Portuguese since 1948? What are the efforts that have been made? Are we going to disassociate ourselves from India over this? In other words, are we going to permit again the resurgence of this anti-Indian propaganda in this country to a point where that country is driven away from us and into the hands of the Soviets?

The Soviets are playing a clever game over in that area, as you know better than I do; namely, the Chinese.

TREAT ISSUES IN UNDERSTANDABLE TERMS

Senator SPARKMAN. Will the Senator yield to me very briefly? I wish he had stuck to the Congo instead of getting off on Goa, because we are more directly concerned, as I see it, right now with the Congo situation.

But I agree with what the Senator said. I read recently a column written by a local columnist down in my State who is here in Washington. I think it is the finest treatment I have seen of the Yugoslovia question, and that is something which has been bothering a lot of people.

Now, of course, anybody reading that could tell that he had gotten his information from the proper source. He had gotten it from the State Department from people who knew, but it took this thing up and treated it in a way that the people on the street could understand what he was saying.

I thought then, and I have been thinking in the last few days, if this Congo question could be treated in the same way that question was treated, it would be a wonderful thing if it could go out to the people of the country.

IMPORTANCE OF TIMING

Secretary RUSK. Let me say, without disagreeing with what Senator Humphrey said earlier about explaining it to the public, for about a week we had a very difficult time of timing from the point of view of what we said publicly on this issue because, quite apart from the shooting, the main object here was to get Tshombe and Adoula together.

Senator SPARKMAN. I think you did a wonderful job of doing that.

Secretary RUSK. We had to work behind the scenes with both these fellows, and public statements during this week or 10-day period could have been extremely disruptive to the main job.

There are some of these situations where we have to——

Senator HUMPHREY. Yes.

Secretary RUSK [continuing]. For the time being take a beating, hoping that the end of the story will tell its own story, you see.

Senator HUMPHREY. Yes.

Secretary RUSK. This was our problem, quite frankly.

Senator HUMPHREY. Mr. Secretary, I did not mean to be critical.

Secretary RUSK. No.

Senator HUMPHREY. I just despair over the problem.

MORE THAN A POLITICAL SETTLEMENT

Senator **Hickenlooper**. Mr. Chairman, I do not want to have any more tc say. I merely want to disagree with some of the things—with the position, as I understand it, that Senator Humphrey has taken here.

I will preface my remarks by saying that I am an expert on the Congo, having spent a week in Katanga and a week in Leopoldville and Kamina and Brazzaville and the hinterlands in there. I spent about 2 weeks there at one time about 5 years ago, so, of course, that makes me an expert on the area. That is said, of course, with heavy-handed humor thrown in.

But it is a little bit more than a political settlement there. Anybody who goes in there or who has been in there, I think, from even a superficial standpoint, knows what has happened down there.

The Katanga is the viable economy of that whole area. They get alligator skins or crocodile skins and nuts and a few things down the Congo River, but it is down in the southern area where the climate is a little different, where the people are different, and where the Belgians over the years have developed a very important economy, and they have done a great deal for training the more capable tribesmen there.

I saw them by the hundreds that they brought in; I saw the schools they had established; I saw the general economic system they set up. While I had only a superficial look, it is a comparatively wealthy area. It is very wealthy from the standpoint of its mineral potential and actually what it has produced.

SECESSIONIST MOVEMENT IS UNDERSTANDABLE

Now, there is something more, in my judgment, than purely a "peace in our time" political settlement in the Congo. I think there is something to this, that here is a great area which, from the background of the people, is just as different from that of the people up around Leopoldville. I never was in Stanleyville, but that is still a different area and a different time. To me there is no particular justification for putting the Katanga in the Congo, except that the Belgians drew a geographical line around an area which they were able to seize and take and consolidate in the early days.

I personally would hope that the entire Congo region, because of the difficulty, could find a formula for consolidation and working together. But from the standpoint of the people who have developed the Congo and who are very highly productive—it is a very highly productive area there—one can possibly understand their hesitancy or their resistance against being exploited by a far less competent area of the Congo, and paying all the money to make the mare go in the Congo.

I can understand their desire to, at least, maintain some of the rewards of their own organization and their own effort.

LENDING AID TO COMPEL SUBJUGATION

They have probably many times more highly trained, better educated, more technically proficient people in Katanga than in all the rest of the Congo put together. They have really done quite a little down there.

They have been educating these youngsters with some of the—from an average standpoint—extremely modern schools. What these little fellows were doing a number of years ago down there, kids, 5, 6, 7, 8, 9, 10 years old—they are starting them right in, or had been for years.

They have hospitals; they have a very interesting economy that has worked pretty well. True, the Belgians oversaw it, and were doing it in that particular area. Probably they did it because of the profit motive, because they have the minerals and it was very profitable, but there are a couple of sides to this.

I think what bothers a lot of people and, frankly, bothers me a little bit is, are we lending our aid to compel the subjugation, the complete subjugation, of an area that has economically and culturally grown far beyond the rest of the Congo? Are we compelling them to subject themselves to the less able and less apt control of a great area of the Congo where they have hardly jumped out of the trees yet?

INTERNAL DISTURBANCE V. OUTSIDE AGGRESSION

Senator LAUSCHE. I think it goes beyond that. It is not a question of whether we are compelling an entity that has a viable economy. The question goes to whether we have a right to go into any place and tell people what they shall do domestically.

Senator HICKENLOOPER. From a legal standpoint, Frank, I think there is a lot of argument to be made along that line. I never understood that it was the purpose of the United Nations—maybe it should be, I do not say that it should not necessarily, but I do not believe that it is—to go into an area to settle internal civil disturbances.

It is basic in at least the declarations of the United Nations to resist aggression from outside.

Senator LAUSCHE. That is why we went into the Congo.

Senator HICKENLOOPER. What?

Senator LAUSCHE. That is why we went into the Congo. When the Belgian troops came in, it was a transgression of the sovereignty.

Senator HICKENLOOPER. They claimed it was, but I doubt if it was.

THREATS TO WORLD PEACE

Senator LAUSCHE. I can understand under those circumstances we should have gone in, and under those circumstances Stevenson is arguing that Goa is our concern; it is aggression by an outsider.

Senator HICKENLOOPER. It is absolute aggression on Goa. It comes without any question, four square under the principles or under the particular circumstances that the U.N. is set up to resist, and that is aggression.

Senator LAUSCHE. In Korea there was aggression by North Korea, and we went in.

Senator HICKENLOOPER. And Goa.

I realize there are practicalities of the situation that have to be realized. But we mix up principle with expediency, and that is where we get in the grease.

Senator **Lausche**. If that were not the fact, why was it declared that United Nations forces will not attempt to coerce the outcome of an internal conflict?

Senator **Sparkman**. I should think that kind of a proposition would always be subject to change, because there is another objective of the United Nations, and that is to concern itself with any situation that might disturb the world peace; isn't that right?

LOCATION OF CONGOLESE CAPITAL

Secretary **Rusk**. That is correct.

In retrospect, one could have hoped that the Belgians would have moved the capital of the Congo to Elisabethville, because of the reasons indicated by Senator Hickenlooper, before they gave the Congo independence. It is the natural headquarters of the economy and the leadership.

Senator **Hickenlooper**. Mr. Secretary, they went through the process of trying to move it to Kamina and to build a city there. I have been there, or I was there in the course of construction, and that originally was the ultimate capital of the Congo. Actually, during the war the Belgians thought they might use that down there if they had to move the government.

CONSEQUENCES OF A SEPARATE KATANGA

Secretary **Rusk**. But, after all, the Loi Fondamental was the basis for giving independence to the Congo. This was agreed to by the leadership in the Congo. It was the Union Minière itself which speeded up and hurried the independence date when the actual time came.

Now, if the Katanga establishes itself as an independent state, two things will happen: First, Katanga will start splitting up because you have the Balubas and other groups there that are not going to be comfortable with the people in Elisabethville, and who will be a great problem of law and order if Katanga as such were to become wholly independent; and, secondly, the rest of the Congo will be a slum, inviting all sorts of meddling interference from the outside. It would be the cesspool in Central Africa.

We would have an enormous problem there. It would be on our backs for the rest of our lives for all practical purposes, and the Sino-Soviet bloc could do a lot of firing in this kind of a Congo, in the remainder of the Congo.

CONCILIATION IS POSSIBLE

I think, Senator, the question you raised about imposing a solution could come up if there is no possibility of getting any kind of a conciliated arrangement here. We think that there can be.

Tshombe has from time to time agreed that the Katanga would have to be a part of Congo on some sort of a federal basis, and continue to make its contributions to the central Congo budget, in exchange for a high degree of local autonomy.

He says other things at different times, but all of those with interests there—the Belgians, the British, the Rhodesians, the Union Minière, and others—themselves agree that some sort of integration out of the Katanga in the Congo is necessary. There is no sort of basic difference as to what the object is here.

DETENTION OF TSHOMBE

Senator **Hickenlooper**. May I just say this, Mr. Secretary——

Secretary **Rusk**. Yes.

Senator **Hickenlooper** [continuing]. I do not resist that basic over-all philosophy that it would be desirable to have some kind of a unit and as viable as possible a unit, but I do not know about Tshombe much. I never met him, so far as I know—he may have talked to me at one time or another, I do not know that—but the man goes to a peace meeting and they throw him in the jail, and you cannot blame him from this standpoint of being a little gun-shy about these things. He did not know for a while there, according to dispatches, whether they were going to line him up before a firing squad or not, and he went there with a flag of truce.

Secretary **Rusk**. That is correct.

If you start sorting people out on what has happened in the past too much, this gets into a lot of trouble. We feel we have to start every day from where we are and try to make the best we can out of the situation then. After all, Tshombe has a considerable responsibility for the death of Lumumba. This kind of a problem multiplies, and it gets extremely confused.

PRESENT EFFORTS

One of the greatest problems with the Congo is that you have to work with Congolese, and they have had little experience, no training. They have no sense of national unity. They have deep suspicion of each other. Their forces are discouraged and without discipline, and their administrative apparatus is rudimentary, at best. So we are trying to build something out of, in, a situation where there is very little to build on.

We may have a period of 10 days of palaver here. We are trying to keep both Adoula and Tshombe from precipitating these talks toward some sort of an ultimatum basis, keep them talking for a while, and meanwhile do everything possible to keep the shooting from breaking out again in Elisabethville.

We just have to see how this effort comes out. But the purpose is an agreed settlement between the principal moderate elements in the Congo, on the basis of which they can go ahead with setting up a central authority of some sort, with provincial autonomy, and then take care of the situation over in Stanleyville, which still is the most important single danger spot in that country.

PRECEDENT OF COERCED SETTLEMENT

Senator **Lausche**. I can agree fully with the effort to procure an agreed settlement, but it seems to me that the instrumentality used does not contemplate an agreed settlement, but rather a coerced settlement. That is the subjugation of Katanga and Tshombe against their will, and that is what disturbs me.

I am particularly disturbed because I do not think that we ought to look at it on the basis of the precedent it establishes and the embarrassing situation we will be in when a communistic government, sought to be overthrown by revolution, asks the United Nations to come in.

If Stevenson condemned Khrushchev yesterday, what will Khrushchev do in condemning us if Castro should ask for aid? That is the thing that bothers me. I think we have established a precedent that is going to plague us in the years to come.

Secretary RUSK. I might just comment on two or three of these other matters, Mr. Chairman.

The CHAIRMAN. I think we have about exhausted that subject.

Secretary RUSK. On the Dominican Republic——

FACTUAL CHRONOLOGY REQUESTED

Senator HUMPHREY. May I ask, are you going to get a white paper or a State Department paper out on this Congolese situation, Mr. Secretary?

Secretary RUSK. We will get materials out on it. At the moment we have some speeches that we are trying to give distribution to. I do not know that this is the moment to get out a white paper, because we would like to get a little further toward the end of the story.

Senator HUMPHREY. I fully concur with your type of diplomacy, of trying to get a settlement, but somewhere along the line there has to be some statement of what you believe to be the facts. I think you know that some of us—we obviously have our disagreements here in this committee. I happen to basically support not just your position; I have supported this position before, I think, when you talked to us about it. But I may be in error, and I would like to have the facts as the Department sees them, as the Government sees them.

Secretary RUSK. I think what we might do, Mr. Dutton, is to get a careful historical summary of the chronology of events here.[6]

The CHAIRMAN. I think it would be very helpful if you did that.

Secretary RUSK. It could be sent to the committee and Members of the Senate and the Congress as quickly as possible, so they can see exactly how this thing has developed.

The CHAIRMAN. It has been so long developing that people have forgotten. Even you have forgotten some of these early stages, and it is your business. I have greatly forgotten many of those early stages. It is very vague.

Senator SPARKMAN. By the way, I just hastily scanned the speech by George Ball, and it seems to me that it is a very fine speech, a very fine presentation.

Secretary RUSK. I think it is a very good summary of the presentation.

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[6] See Appendix C, page 711.

IS ADOULA GIZENGA'S PUPPET?

Senator LAUSCHE. Mr. Chairman, I think this requires clarification about Adoula.

About 4 months ago, the Russian Life paper, I think, carried the story that Adoula was a puppet of Gizenga, that he promised Gizenga that he would send a man by the name of Davidson into Katanga to run it, and that he promised Gizenga that he would remove Mobutu as Chief of Staff.

Senator Dodd, on the floor of the Senate, spent considerable time on that document that came out of the Soviet. Have you checked that situation, and what is the explanation for that publication in Moscow?

Secretary RUSK. I do not know what that full explanation is. I know that for a time the Soviets were hoping to move in on Leopoldville by way of Gizenga, and to work with and win the Leopoldville Government, take it over.

We have been fully alert to that and have taken a good many countermeasures, and so has Adoula. We got this fellow Bochley-Davidson out of the picture in about two day's time when we heard about his being scheduled to go down to the Katanga.

Lundula,[7] who is from Orientale Province, and is military commander over there, we believe, has abandoned Gizenga at the present time. The Minister of the Interior, who is a Gizengist in the Leopoldville Cabinet, is under the closest guard and watch and supervision, and I should not be surprised to hear that he is being arrested at almost any time by Adoula.

SOVIET, EAST EUROPEAN ACTIVITIES

The activities of the Soviet group there are being watched very closely.

The speech that Gizenga made recently, attacking Adoula which, in effect, was a declaration of secession, was almost certainly written by the Soviets. Adoula is thoroughly aware of this, and is getting his plans all laid to deal with the Gizenga group.

I think that the time factor will work out the data on this particular problem.

Senator HICKENLOOPER. Haven't they recognized and permitted Iron Curtain countries to come in back there?

Secretary RUSK. They have accepted the establishment of these missions in Leopoldville, although they have insisted that they change the personnel from those over in Stanleyville.

Senator LAUSCHE. Did the State Department ever ask Adoula whether he ever made a commitment to Gizenga?

Secretary RUSK. We know that this did not occur.

Senator LAUSCHE. You do?

Secretary RUSK. Yes.

THE DOMINICAN REPUBLIC

The CHAIRMAN. I wonder, Mr. Secretary—time is going along—if you could give us a little bit on the Dominican Republic.

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[7] Maj. Gen. Victor Lundula, commander of the pro-Lumumba troops.

Secretary RUSK. I would like, if I may sir, to comment on the Dominican Republic and Cuba.

The CHAIRMAN. Yes.

Senator HICKENLOOPER. I also hope we can have a comment on Indonesia, if we have time.

The CHAIRMAN. Let us permit the Secretary to give us what he knows, and let us refrain for a moment and let him finish it, and then we can ask questions.

Secretary RUSK. Well, after the assassination of Generalissimo Trujillo, the problem was that the followers of Trujillo might subject the Dominican Republic to a real bloodbath, liquidate the opposition, create a kind of situation that was reminiscent of the Batista regime in Cuba, and lay the groundwork for a Castro type of rebellion—type of revolution—in the Dominican Republic over some 6 months or a year.

FOCUS OF U.S. EFFORTS

Our effort has been to try to get a coalition government established, made up of elements from the existing government to more moderate elements of the existing government, such as President Balaguer and some of the more moderate of the military leaders, plus the leadership of the moderate opposition party, particularly the UCN, which is the middle class, middle-of-the-road political group in the Dominican Republic. We have acted more or less as a mediator in that situation.

At one point when the two uncles—the two Trujillo brothers, rather—contrary to their earlier commitments, returned to the island, it looked as though there might be a takeover by them and by the air force, which would bring about this very bloodbath and critical situation we were trying to prevent. It was at that point that elements of the fleet moved offshore as an indication that we were going to be very much interested if that situation went in that direction.

MODERATE COUNCIL OF STATE ESTABLISHED

There have been some very ticklish negotiations going on over the period of the past months between the governmental people and the moderate opposition, which have culminated in the last two days in an agreement under which a council of state would be organized. That council would have some responsibility for government, of pending elections some time next year. President Balaguer would himself leave office in February, and one of the principal leaders of the UCN would become President at that time.

The military forces have assured this settlement their own support. In exchange for that they have been given assurances that no attempt would be made to retaliate personally upon the military officers who, as instruments of Trujillo, had carried out all sorts of repressive operations over the past years.

It has been difficult to get the two sides to forget or set aside 30 years of hate, suspicion, violence, terror, and that kind of thing, to get together. But we believe that with the elimination of both the extreme right and the extreme left who were, in fact, playing footsie with each other during this period, that this moderate group has a real chance to get the Dominican Republic back on the road that it has not been on for 30 years.

ROLE OF TRUJILLO BROTHERS

The two Trujillo brothers, by the way, had with them the principal Castro leader in the Dominican Republic, and we succeeded in getting both those elements out of there. We think that is something which is happening there now which can give us some real promise.

I think we also should say this: When the final story of this bizarre episode is written, young Ramfis Trujillo will come out of it with more credit than anyone would have supposed he would have earned in this situation. He came in there immediately after his father's assassination and held the situation together through his own personal influence with the armed forces, to make it possible for this kind of a negotiation to go forward.

Now, he is not a man that, I suppose, any of us would greatly admire in many ways, but he performed for a period there a real service for his country. He did not permit this thing to move directly into a widespread bloodbath, and he kept the terrorists under control and did other things that made it possible for this kind of thing to work out.

PRESIDENT BALAGUER'S STATESMANSHIP

Similarly, President [Joaquin] Balaguer, who was a figurehead under the Trujillo regime, has showed great courage. He has put his life in his hands for weeks on end. He showed some real elements of statesmanship to a degree that we could never have predicted would have been possible.

We believe that the result there is, if it sticks—and we do not know, we have to keep our fingers crossed for a time—if this settlement sticks, we get the sanctions lifted immediately, so they get their sugar quota back. They get themselves back in business, get their economic economy going again, and there is a fair chance that this will work out and they will come back into the OAS system as full members and in good standing.

We are today very much encouraged. We almost got to this point about three or four times in the past 3 weeks, and then suddenly one side or the other would overreach and make it impossible to get a solution. But at the moment we are quite encouraged about the prospects.

HARDENING ATTITUDES TOWARD CUBA

In connection with Cuba, there will be a meeting of the OAS Foreign Ministers on January 10, probably here in Washington. They will take up the Colombian proposals for dealing with the Cuban matter. These essentially involve establishing the conditions under which Cuba would be accepted back again into the family of Western Hemisphere States, involving the breach of their ties with the Sino-Soviet bloc, the restoration of constitutional government, and some severe conditions of that sort, failing which the OAS will move in with sanctions of the sort that were applied to the Dominican Republic.

There has been a hardening of attitude in the hemisphere toward Castro in the last 3 months. Castro's speech helped considerably on this because it made it unnecessary for us to prove what we have felt all along here in this last year. The bitterness of the attacks of Castro on each one of these countries one by one over a period of time has steadily alienated them.

Thirteen have now broken relations with Castro formally and without any heavy arm-twisting on our part. When Venezuela and Colombia broke relations, they did it wholly on their own initiative, and did it quite decisively.

The principal problem will be that the Argentine, Brazil, and Chile are at the moment still somewhat reluctant to move in strongly on this matter.

Senator LAUSCHE. What about Bolivia?

Secretary RUSK. Bolivia has given us support on it.

RELATIVE OPTIMISM ABOUT EXERTING PRESSURE

I think we will get support from Bolivia.

We see some firming up of the situation in Mexico. After the meeting of the OAS on December 4 where Mexico and Cuba were the only two who voted against the calling together of the Foreign Ministers, this created quite a severe situation in Mexico itself. You will recall they called back all ex-presidents to assume posts in the present government. This was interpreted in Mexico, and also back here, as a move to firm up the policy of Mexico on this and other matters in the foreign policy field.

[Discussion off the record.]

Secretary RUSK. We are relatively optimistic about the organizing of additional pressures on Castro through the OAS.

I also asked the meeting of the NATO powers in Paris to follow this matter carefully and put this on the agenda, and to begin now to consider aligning their policies with the policies of the OAS with respect to Cuba. It won't be acceptable from our point of view if the OAS moves on this, and our Western European friends, with charters of ships and all the rest of it, cut across and frustrate what we are trying to do here in this hemisphere.

ECONOMIC CONDITIONS IN CUBA

The CHAIRMAN. What is the condition of Cuba? Do you have any information on the present economic condition of Cuba?

Secretary RUSK. The reports we get indicate that there are stringencies. They are practically out of foreign exchange now, but our estimate is that in about a year's time they will have readjusted their spare part situation, their trade patterns, and things of that sort, so they will begin to pick up again and move back in about a year's time unless something happens.

Senator HICKENLOOPER. Where will they get the spare parts?

Secretary RUSK. They have been suffering from the lack of spare parts. They have gotten some from Western Europe and have gotten a few from Canada, but Canada has helped us very well in preventing the flow of American parts and American products to Cuba.

Senator **Hickenlooper**. Are they still getting needed things by way of Mexico that we sell to perfectly legitimate, on the surface legitimate, Mexican nationals who ship them into Mexico and then trans-ship them into Cuba?

Secretary **Rusk**. There may be some of that, but I do not think that is a problem that begins to affect their problem in a serious way. That is not the problem. Undoubtedly, in a situation of this sort, there would be indirect operations and some smuggling and activities of that sort.

U.S.-CUBAN TRADE

The **Chairman**. Has our own trade been suspended with them altogether?

Secretary **Rusk**. We have not completely broken it off under the Trading with the Enemy Act. One of the reasons is we want to move with the OAS and use this in concert, and also when we put on that final breach of trade that we take that as the occasion for getting our NATO allies to do the same.

The trade has reduced pretty much to a trickle, except we are continuing to buy tobacco from them, cigar tobacco, and they are getting now a trifling amount of food and medicine from this country. Their purchases here of food and medicine have pretty well dropped almost to the vanishing point. They are getting some foreign exchange out of our tobacco purchases, and we will have to deal with that as a part of the OAS effort.

Senator **Lausche**. What is the theory of purchasing tobacco, under what justification is that done, when other trading has sort of stopped?

The **Chairman**. The Florida Senators are very much interested in that. I have heard them talk about it. There is unemployment and so on in the tobacco industry.

Secretary **Rusk**. There would be several thousands who would be thrown out of work on this but, now that the balance has moved in such a way that this does add some foreign exchange to Castro, we are inclined to move on it more rapidly than we might have had foreign exchange been used up in the purchases of medicine and food from this country.

U.N. SUPERVISION OF WEST NEW GUINEA

The **Chairman**. How about Indonesia? Then we will come back to some of these other things. Tell us something about that before we do.

Secretary **Rusk**. The Dutch at the last meeting of the General Assembly, this present meeting of the General Assembly, took the very important step in announcing their readiness to relinquish West New Guinea to the United Nations.

The General Assembly almost, but not quite passed a resolution. They had more than 50 votes for this resolution which would call for a period of direct negotiations between the Netherlands and Indonesia. If there were no outcome of that, then the United Nations would send a commission out there to arrange for some sort of an international authority over West New Guinea pending the application of self-determination on the part of the Papuas.

The Dutch, meanwhile, agreed that they would put up the costs of this in terms of their own, something like $13 million a year, investment in West Guinea. In other words, they were not suggesting that they would throw the whole burden of this on the United Nations.

INDONESIAN RESENTMENT

The Indonesians were very resentful of this move. We were not successful in persuading the Indonesians that from their point of view this was, at least, a very large step in reducing the gap between their position and the Dutch. They seemed unwilling to accept any solution that does not provide for a certain transfer of West New Guinea to Indonesia.

Our own attitude on it has been that this is not a question—that is, what happens in West New Guinea—which is of the most vital and far-reaching importance to the United States. We would like to get it settled peacefully on some acceptable basis. We would like to see the Netherlands and Indonesia restore their relations to each other, because the Dutch could get enormous advantage out of the restoration politically and economically with Indonesia.

Had the settlement of 1948, for example, at that time transferred Dutch New Guinea as a part of the Indonesian settlement, I think no one then would have been concerned about it. I think it would have been accepted as a normal state of affairs.

THREATS FROM SUKARNO

Sukarno has lately been building up threats and pressures, but this is not a situation such as Goa. From the straight military point of view, he would not have a quick and immediate pushover there. The Dutch have forces there, including air and naval forces, and ground forces, which could sting pretty hard, and the Indonesians are not really braced for mounting that kind of operation which would require it to seize it the way India seized Goa.

Senator WILEY. Didn't he call for an overall mobilization?

Secretary RUSK. He did, but that does not add much to his military strength. The army is very reluctant to take this on. Now, the air force is much more ambitious about wanting to knock off West New Guinea.

Senator WILEY. You mean Sukarno's air force?

Secretary RUSK. Yes, Sukarno's air force. But this is not a job that can be done just by an air force. It would take an amphibious operation of considerable size and capacity to do this job.

CHANGE OF DUTCH OPINION

What we see in the immediate future are negotiations between Indonesians and the Dutch, and that is something that is now being laid on in the course of these present days, to see whether they can talk this thing out in such a way that they can reach a settlement on it.

I think it is proper or accurate to report that Netherlands' opinion on this matter has changed very considerably in the last two years. The Dutch have pretty much dropped their interest in West New Guinea. They do not want to take on the bleeding struggle on it if they can avoid it.

This was behind their attempt to turn it over to international control. They would like to see, I think all of us would like to see, some attention paid to the attitude of the Papuas, the local people there, because, again, they are a different kind of people from the rest of the Indonesian Archipelago, for the most part. They have not the institutions, the framework, the education, the development that, say, Java has. They are a primitive people culturally in that sense, and the Dutch feel at the present time that some attention ought to be paid to what they think about it.

But Sukarno, I think, is talking more of a game than he is in a position to play. Nevertheless, we do think that these negotiations must be resumed, and we hope this thing can be worked out on a peaceful basis.

INTERNATIONAL CONTROL V. U.N. TRUSTEESHIP

The CHAIRMAN. In effect, didn't the Dutch offer to make it a trusteeship under the U.N.? Is that what they offered?

Secretary RUSK. Yes. They would have been glad to turn it over straightaway as a trusteeship. We were a little reluctant ourselves to see them do that because this could be a very long, drawn out commitment, a heavy financial involvement, and it would require protective forces if the Indonesians were bitterly opposed to it and threatened to use force against it.

We believe that the formula that the Dutch finally came up with was more satisfactory. The Dutch would put it under international control. They would continue to pay the bill, there would be a progressive withdrawal of Dutch from the area, and the West Papuas could then decide where they wanted to go. If they wanted to go to Indonesia, the Dutch say that is all right with them.

NO DIRECT U.S. COMMITMENTS

Getting self-determination applied under those circumstances is really a very difficult thing. They have only the most rudimentary ways of expressing the wishes of the West Papuas on this matter.

But I would say that we do not expect Indonesia to attack West New Guinea in the next month or so.

The CHAIRMAN. If they did what would we do?

Secretary RUSK. I would like to get to that one a little later because what we are trying to do is to prevent that question from coming up.

The CHAIRMAN. You are not ready to say?

Secretary RUSK. I would not want to say.

The CHAIRMAN. That has not been discussed at this time?

Secretary RUSK. I should tell the committee that we have not made any commitments to the Dutch that we would give them direct support in that situation from a direct military point of view, but we have strongly urged the Indonesians that they must not try to take this thing over by military effort.

The CHAIRMAN. By force.

Secretary RUSK. So we do not have commitments at the present time that would, I think, concern the committee. I mean, if we had commitments, I would tell you.

U.S. ECONOMIC INTERESTS

Senator HICKENLOOPER. Have we gone so far as to let the Indonesians know we might have to reevaluate our whole approach of cooperation with Indonesia and their economic ambitions if they haul off and violate this non-aggression business?

Secretary RUSK. We have spoken with them very severely on these matters, but the bargaining may run the other way in terms of interests.

Senator HICKENLOOPER. The what?

Secretary RUSK. The bargaining position may run the other way.

The CHAIRMAN. Because of our interests there.

Secretary RUSK. We have some very important interests in Indonesia, and it is not easy for us to say, "If you do this we will break off."

Senator HICKENLOOPER. I do not know why we should be in a position to have them all say, "If you don't do this we will not like you."

The CHAIRMAN. What you mean is our oil interests and so on; our American capital.

Secretary RUSK. That is right.

The CHAIRMAN. What is the magnitude of that; do you know, offhand, about how much we have?

Secretary RUSK. No, I do not have a dollar figure.

The CHAIRMAN. Substantial?

Secretary RUSK. It is a very substantial amount.

Senator HICKENLOOPER. Very substantial?

Secretary RUSK. Very substantial indeed in Sumatra.

LOAN TO GHANA

The CHAIRMAN. One other thing I want to ask, and then we will go back. This Ghana loan bothered me very much, and I am not at all sure it is wise. Can you give justification for the final decision to go all the way on the Ghana thing?

Secretary RUSK. This was an extremely difficult judgment to make as to how we ought to proceed.

The CHAIRMAN. It sure seemed that way to me.

Secretary RUSK. Over a period of 2 years we have been getting closer and closer to a flat commitment, and by the summer of this year these negotiations had come to a point where we found ourselves practically with a flat commitment on the matter.

It was an undertaking which seemed to make sense from an economic point of view. The International Bank, private companies, our Government, the British Government, had all come to the conclusion that this was a very important thing to do from the point of view of the economic aspects of it.

So the question really came up as to whether anything had happened since the summer to require us to undo what was tantamount to a commitment to go ahead. This turned chiefly on

[Joshua] Nkrumah's visit to the Soviet Union and his performance at the Belgrade Conference.

MIXED PICTURE

On all these things the picture is very mixed. I will be glad to furnish the committee with a two-column list of the things which are unfavorable and the things which are favorable from the point of view of the West in Ghana.

But, for example, he opposed the Soviet nuclear testing at one point. He seemed to support the Soviet attitude on Berlin more than we would care for.

He has dismissed certain of his key advisers, but he is willing, in return, to take advisers from the International Bank to replace them.

GUARANTEES AGAINST EXPROPRIATION

The CHAIRMAN. I was wondering what kind of commitments, of a political nature, at least, or semi-political, Nkrumah had made. Did he make any assurances about not expropriating or so on with regard to investments?

Secretary RUSK. There are about a dozen important safeguards in the agreements themselves which would relieve us of any responsibility if he does not himself perform. Of course, one of the most important and one of the most difficult for him is that he has got to come up with a lot of money himself if this matter is to come through. He has to accept the supervisory advice from the International Bank in connection with this operation.

We have a veto on any other development, such as the talked about Soviet dam up in the northern part of the country, which could interfere in any way or adversely affect the operation we are talking about; and we have guarantees against expropriation. A guarantee against expropriation is worth just what it is worth, but the Government of Ghana has agreed that important funds would be handled through a trust arrangement in New York, and that those funds would be subject to a first claim in the event of anything like expropriation.

The Attorney General and the legal office of the Department and the lending agencies went into this very carefully.

PACE, EXTENT OF LOAN COMMITMENT

I think the most important thing for the committee to have in mind is that this is a matter that extends over a period of 7 years.

The CHAIRMAN. Yes

Secretary RUSK. The pace at which we get into it is relatively a slow pace, it is in the range of, say, $7 million a year for the first two years, that kind of thing.

Senator LAUSCHE. The aggregate is how much?

Secretary RUSK. The aggregate involvement by the United States, including guarantees to the private companies, will be in the range of $200 million eventually, total. But the actual output of cash by us would be in the range of $35 or $40 million.

The CHAIRMAN. The grant part that we give is $35 million?

Secretary RUSK. Yes—no, the loan.

The CHAIRMAN. I thought there was both a loan and a grant. Is it all a loan and no grant?

Secretary RUSK. Let me see if I have it. I do not think I brought with me the complete financial——

The CHAIRMAN. Then the Bank has a very material part in the supervision of their financing during this period.

Secretary RUSK. That is correct. I will send down to you——

The CHAIRMAN. The Bank is satisfied with it?

Secretary RUSK. Yes. The Bank is entirely satisfied with it.

The CHAIRMAN. They recommended it on an economic basis?

Secretary RUSK. That is correct.

The CHAIRMAN. I thought this was so, but I did want to check it. It is, in a sense, somewhat similar to the program for the Aswan Dam, only it is smaller.

Secretary RUSK. We also consulted not only a great many other—yes, the project involves a $37 million loan——

The CHAIRMAN. Loan.

Secretary RUSK [continuing]. To the Government of Ghana for the dam.

LOAN FOR ALUMINUM SMELTER

Then there is a loan and a guarantee to a consortium of private American companies later to build a smelter, so our direct cash involvement——

Senator HUMPHREY. What is that smelter for?

Secretary RUSK. Aluminum.

The CHAIRMAN. But if it is successful that will all be repaid, assuming the market can absorb this.

Secretary RUSK. That is correct. There is no grant in this.

The CHAIRMAN. The aluminum companies are assuming the demand for aluminum in 10 years is going to be sufficiently great to use this quantity.

Secretary RUSK. That is correct. Over the first 3 years the total outlay of U.S. funds would approximate $25 million.

The CHAIRMAN. $25 million.

Secretary RUSK. And if there are overriding political considerations, of course, this kind of arrangement can be unhooked if it has to be, but we felt we had to go ahead with it, on balance.

CONSULTATION WITH OTHER COUNTRIES

Now, we consulted the other African countries very carefully on this because we wanted to get their attitude about the effect of either doing it or not doing it, and it was quite clear that for us not to do it would have very serious effects on our relations with many countries in the neutralist bloc and in Africa under these particular circumstances.

The CHAIRMAN. Nigeria in particular?

Secretary RUSK. Well, Nigeria felt—there were a number of them who said, "Well, we don't particularly care about having Nkrumah benefit to this extent, but it is important from the point of view of the Ghanaian people and the feeling of Africans as to your attitude on issues of this sort that you not break off what we all consider to have been a commitment for the reasons which have appeared since last summer."

ADVICE FROM GHANA'S OPPOSITION

We also talked to the opposition in Ghana itself, people like——

Senator HICKENLOOPER. Is there any opposition in Ghana?

Secretary RUSK. Yes. As a matter of fact——

Senator HICKENLOOPER. I thought Nkrumah choked that off.

Secretary RUSK. A number of them got out of the country. He did arrest about 50 leaders there, and from his point of view, on the basis of pretty good information—in other words, there was a plot going on there of which we were not a part, but led by some good people.

We talked to one of them, and he said that we have to go ahead with this in Ghana, because this, in the long run, will strengthen the hand of those who will be trying to get rid of Nkrumah.

We had that kind of advice from people in what might be called the moderate opposition in Ghana.

AID TO NIGERIA

The CHAIRMAN. Do the Nigerians agree on this?

Secretary RUSK. Yes, they do.

The CHAIRMAN. Aren't they really doing the best job of any African country?

Secretary RUSK. The Nigerians?

The CHAIRMAN. Yes.

Secretary RUSK. The Nigerians, the Sudanese, the Senegalese are all doing a pretty good job.

The CHAIRMAN. What bothers me about it, are you going to do anything for Nigeria that is comparable? She is the best hope.

Secretary RUSK. Well, we expect to be concentrating some very substantial aid efforts in Nigeria. We agree this is a very big bet.

The CHAIRMAN. And they have been the most helpful, more so than the others.

Secretary RUSK. That is correct.

CLIMATE IN OTHER AFRICAN STATES

Senator HICKENLOOPER. They have a very favorable climate with Tanganyika under that leadership at the present time.

Secretary RUSK. Yes. On Independence Day we announced a substantial aid program for Tanganyika. We are in good hopes about them.

Senator HICKENLOOPER. Is that part of the French Congo still oriented toward the West?

Secretary RUSK. Yes. I think, generally speaking, one can say, with the exception of, perhaps, Mali, at the present time—and Guinea—the general orientation of these French-speaking African States has been toward the West, and even in those two the climate is changing.

The CHAIRMAN. I thought I heard in Guinea it is improving.

Secretary RUSK. In both Guinea and Mali it is steadily improving.

Some of these countries are getting wise to what is going on, and I think that there are some—the longer-range outlook in many of these countries on issues of this sort is quite a hopeful one.

Senator LAUSCHE. Are Guinea and Mali the ones that were aligned with Ghana?

RELATIONS WITH OUR ALLIES

The CHAIRMAN. Senator Wiley would like to ask some questions.

Senator WILEY. I would like to ask a couple of them. I have listened this morning, and I think, possibly, what I am going to ask may be a little superfluous. I want to get your own personal reaction to the effectiveness of the Russians in splitting the unity that it claims it is going to split and then take us over. How about it?

Goa, Congo, here you have got down in these other islands, what is it, let us say, what is the situation in relation to our allies? Are we friendly or less friendly? If war comes are they with us? Are they against us? What is your general reaction, because people are not talking about war again.

I want your own personal opinion, because you have been mixing with the representatives, and the President is over talking to the gentlemen from England today, and I think all these little places like the Congo and Goa and so forth, they are simply irritants on the general problem.

POINTS OF IRRITATION

Secretary RUSK. Well, I have just come back from a NATO meeting, as you know, Senator. I would like to point to two points of irritation, and then talk to the general situation because, had it not been for these two points of irritation, I think the last NATO meeting would have registered a remarkable degree of unity and forward action on the part of the NATO community.

One is what is said publicly at this time about negotiations with the Soviet Union. On that General de Gaulle takes a very immobile view in which he is in, for all practical purposes, a minority of one to fourteen within the NATO community. General de Gaulle finds himself in a weak position inside France and internationally, and one of his reactions to this position of weakness is that he does not wish to portray it by appearing to be interested in discussions and negotiations with the Soviet Union.

But we had a full briefing, based on extremely important and sensitive intelligence sources, on the present military situation as it affects the Soviet Union, and there is no question that the West has an overwhelming nuclear capability with respect to the Soviet Union. Regardless of whether the Soviet Union engages in a first strike or not, the Soviet Union faces, for all practical purposes, the total derangement of its national life and very heavy destruction.

ALLIED ATTITUDES

Senator WILEY. After this propaganda that Senator Humphrey spoke about, I am interested in knowing what the public in these various nations that are allies of ours, what their reaction is. Have you got that?

Secretary **Rusk**. The attitude of the NATO Alliance, with the exception of France on this point of negotiation, is that we must pursue a policy of firmness with respect to our vital interests in Berlin; that this is a casus belli, if necessary, but that we must also be prepared to maintain responsible contacts with the Soviet Government in order to make it clear that these vital interests must be protected, and there be no misapprehension on the that point, and to find a settlement, if any possible basis for a settlement exists.

NO AGREEMENT IN SIGHT

I would have to report to the committee that at the present time, given the position of the West and the position of the Soviet Union on Berlin, there is not now in sight a basis for what might be called a negotiated settlement.

There has been some improvement in what might be called the procedural aspects. For example, the Soviet Union now understands that anything that is said about Berlin has to be dealt with by the Soviet Union with the three Western powers, and not be a matter of negotiation between the West and, say, the East German Republic.

They also have taken off this time limit on the date at which they say they intend to sign their peace treaty with the East Germans. On that they could change their minds tomorrow, of course.

But we feel that there has been some reduction of the pace of this Berlin matter. There has been some reduction in the sense of crisis, but there is not yet in sight a basis for any agreed arrangement.

It may be that this will drag on for a time, but our ambassador will be discussing these matters further in Moscow in the immediate future to see whether any of these questions open themselves up for agreement. At the moment we do not see just how that will come about.

TROUBLE SPOTS

Senator **Wiley**. Where are they stirring up trouble next time; what do our agents say?

Secretary **Rusk**. I think the principal threat at the moment still is the Congo, in terms of what we know they are sort of watching very closely and getting themselves braced for; and, of course, in Southeast Asia, where we have helped, put out a white paper on Vietnam.

On Laos, the negotiations in Geneva have gone about as far as they can in the absence of a coalition government in Laos. The three princes are meeting——

Senator **Wiley**. Are they egging Sukarno on?

Secretary **Rusk**. I think they are. I think there is no question they are egging Sukarno on.

RELATIONS WITH INDIA

Senator **Wiley**. Our relation with regard to Goa, has it antagonized the Indian people?

Secretary RUSK. I think certainly the Indian Government fully understands why we object to this. I think they have been quite defensive in their own attempts to explain their action to us.

I would be a little surprised if the Indian Government allowed this situation to create a nationwide hostile public reaction toward, specifically toward, the United States.

SOVIET BLOC BREAK WITH ALBANIA

Senator WILEY. Have you an explanation as to what happened in Albania?

Secretary RUSK. Not a very good one, sir. The facts, I think, that are public pretty well summarize what we know privately. The bloc, the Soviet side of the bloc, is in the process now of breaking relations with Albania.

Albania was not present recently for the last week for the meeting of the economic organization of the Warsaw Pact, and we would not be surprised to have them formally thrown out of the Warsaw Pact.

That break is, I think, a part of the political and ideological struggle between the Red Chinese-Stalinist approach on the one side, and the Soviet approach on the other. But I still do not think those differences are any differences which we can take much comfort from.

ASSURANCES FROM BRAZIL

Senator WILEY. What is your latest reaction or information as to the Soviet activity in South America, particularly in Brazil?

Secretary RUSK. We have not seen much change in that in the last 2 or 3 months.

The present government, so far, shows every sign of wanting to work with us and with other members of the hemisphere. We believe that the Cabinet that was constructed there after the departure of Quadros is a moderate Cabinet that ought to work out quite well if Goulart allows it to do so.

We are watching Goulart himself quite carefully to see what his real intentions are. He has given us every possible assurance that we could ask him to state on this matter. We see no significant signs of any increase in their collaboration with the Soviet Union, except the fact that they did extend diplomatic recognition.

U.N. VOTE ON CHINA

I might also mention, in passing, Mr. Chairman, that despite some nervousness at the beginning of the General Assembly, the Chinese representation issue did come out with a very successful result, and with a good vote. The most important part of the result is that it was agreed by a substantial majority that any attempt to deal with this problem must be considered as an important question requiring a two-thirds vote.

Senator HICKENLOOPER. That was the vote? What was the issue that was voted on?

Secretary RUSK. Well, we had a resolution precisely on that point. I believe the voting on that was 63 to 38.

Senator HICKENLOOPER. That was the issue on the question of whether or not it was an important question.

Secretary RUSK. Yes.

The CHAIRMAN. 63 to what?

Secretary RUSK. I think it was about 63 to 38, with some abstentions. I have to get the exact figure.

The CHAIRMAN. That was a good vote.

Secretary RUSK. That was an excellent vote.

CRAWLING UNDER THE WIRE

Mr. Stevenson did a fine job of advocacy there, incidentally, on some rather heavy weather on the subject, and the Soviet resolution was actually defeated. It did not require a blocking one-third.

It was beaten in its own right, and so we have that this has been, perhaps, almost an unexpected result in terms of the numbers of votes and things of that sort. But it took a tremendous amount of work in capitals as well as among delegates at the U.N., and at the highest levels in some cases, to get this worked out.

Senator HICKENLOOPER. The fact of the matter is there are a number of countries that have already said they would vote to admit Red China, but they would also vote to support the issue that it was an important question. It was some method of crawling under the wire.

Secretary RUSK. There are some countries who have said that they would recognize Peiping who, on the question of that formal vote alone, would have to vote for Peiping, but were very cooperative with us in not allowing that issue to be presented in a straightforward way, and for that kind of a procedural vote.

The CHAIRMAN. Yes.

MACMILLAN MEETING; INDIAN PRESS

Are you going off to Bermuda to see Macmillan?

Secretary RUSK. Yes, I am leaving as soon as I leave here.

The CHAIRMAN. Has the President already gone?

Secretary RUSK. No, he is in Palm Beach because, depending on the condition of his father——

The CHAIRMAN. But you are going off?

Secretary RUSK. Yes, I am going off this afternoon.

The CHAIRMAN. One other thing: Is there any reaction in the Indian press to the Goan situation? Is the Indian press itself supporting the government, so far as you know?

Secretary RUSK. I would think that is so. Quite frankly, I have not seen the press roundups during the last day.

Senator HICKENLOOPER. There is a difference in the Indian press of the north and of the south, in their political approaches. It would be interesting to know what the two regions say, what the representatives of the press in the two regions would have to say about that.

SITUATION IN VIETNAM

The CHAIRMAN. In Vietnam is there any change for good, better, or worse or what?

Secretary RUSK. In the last 3 months the guerrilla activities have been stepped up. We have been working very hard with President Diem to take additional measures which can be taken with the resources at his disposal. We are prepared to augment our assistance there, particularly in such things as communications equipment, intelligence operations, photo reconnaissance capabilities, transportation, both ground and air, to give him a higher degree of mobility for his forces. Changing some of his operational procedures, in terms of giving authority to subordinates to act without always referring back to him, would, I think, help the situation considerably.

We do believe that with a country of 14 million people and armed forces of 170,000, plus local guards and defense forces around the countryside, that these 15 to 20 thousand guerrillas ought not to be an insuperable problem. There are many difficulties, but we believe that with substantial increased aid to help him to win his fight, it is possible that we can see this job through without necessarily involving U.S. ground force units to try to do a job that would be extremely difficult for us to do in that kind of a situation.

Senator WILEY. You do not see any explosive situation anyplace then?

Secretary RUSK. Senator, Berlin is still the most threatening, but I would say that the situation there is a little less threatening now then it was at the end of the summer.

Senator WILEY. Take this off the record.

[Discussion off the record.]

WILL TAKING OF GOA ENCOURAGE OTHERS?

Senator LAUSCHE. May I ask just one or two questions?

The CHAIRMAN. I may remind everybody that the clock is not right.

Senator LAUSCHE. All right.

What credit do you ascribe to the arguments that are now being made that because of the developments in Laos, the Berlin wall, India's strike at Goa, and that because India had the ease of achieving Goa, Sukarno will strike at West New Guinea, and that then there will follow the Pescadores Islands by the Red Chinese, and probably Panama on the canal? Do you feel that there is going to be a sequence of activity identical to this Goan situation?

Secretary RUSK. Well, I do not believe that the Indian move was connected with Laos and Berlin. I think that developed under other pressures and circumstances.

But I do think, Senator, that when India moves at this time to use force to seize Goa, this does greatly increase the possibilities of some other snatches by other people who have quarrels with their immediate neighbors. "If India can do it why can't we?" This is clearly a problem.

[Discussion off the record.]

RESPONSIBILITIES UNDER U.N. CHARTER

Secretary RUSK. This is a point we have been making to the Indians for the last three weeks: "If you people do this, you run the risk of setting off a chain of events which you do not have in mind, but which could carry us a long way away from any of the peaceful procedures that we all signed up to in the charter."

You have Timor, you have Macao, you might have——

The CHAIRMAN. Hong Kong.

Secretary RUSK. You may have Hong Kong. You may have other situations, you see.

Senator LAUSCHE. That question was prompted by Senator Wiley's question of whether there are explosive situations ahead. They will be explosive if these things happen in the sequence which has been suggested.

Secretary RUSK. One of the reasons that we, through Adlai Stevenson, have raised this point about a thorough-going review of our commitments about peaceful settlement under the charter is that we hope we can slow down somewhat this grassfire aspect of this action in Goa.

U.S. NUCLEAR SUPERIORITY

Senator LAUSCHE. One more question: Do you feel pretty firm in your judgment that we have superiority in nuclear power?

Secretary RUSK. Yes, sir.

Senator LAUSCHE. Had we ever been behind in our nuclear strength compared to that of the Soviets?

Secretary RUSK. Well, Senator, I am—are you on the Atomic Energy Committee?

Senator LAUSCHE. No, I am not.

Secretary RUSK. There is a problem of complete candor here, if I can work my way through it.

Senator HICKENLOOPER. Let me answer that question and take you off the hook. No, there never has been the time when over-all we have been inferior.

Secretary RUSK. I think we know so much more about the situation now than we did before, that this gives us a reassurance that we did not have before.

Senator HICKENLOOPER. I will say this to you: Frankly, I am quite sure that while we do have, taken altogether, substantial superiority, there are areas of considerable concern.

Secretary RUSK. Right.

Senator LAUSCHE. Yes.

Secretary RUSK. Also I think it is important to say that despite the degree of superiority, which is very large, nevertheless they have a capability of inflicting very serious damage upon us in Western Europe.

Senator LAUSCHE. I think the subject is very important because there have been some articles appearing recently suggesting that we are behind in the nuclear strength.

That is all I have.

BEST WISHES CONVEYED

The CHAIRMAN. Are there any other questions?

Senator HICKENLOOPER. I might just say, before we go away, that if you go down to Bermuda, I think it would be safe to say that this group sends our sympathetic feelings to the President, and we hope his father recovers.

Secretary Rusk. I am sure he will greatly appreciate that.

Senator Hickenlooper. Don't you think so?

The Chairman. I think so. I hope you will convey our concern to the President, and give Mr. Macmillan our best wishes.

Secretary Rusk. We will get to you, sir, this chronology on the Congo.

COMMON MARKET

The Chairman. It is so late now; I wanted to take up another problem, but I have an engagement and I think the others have. About the Common Market, that has not got yet to the point.

Secretary Rusk. Which one?

The Chairman. The Common Market is this new program of the President's, which has caused in my State great concern as to what is going to happen. But I think it is too late to discuss it now.

Senator Hickenlooper. It has caused great concern in my State, too.

The Chairman. It is too late to take this up now, but at an early date I think we will want a very thorough discussion of that problem. It is too complicated to discuss now.

Secretary Rusk. I am sure we will be discussing that one in great detail and thoroughly in the next 6 months.

STATEMENT TO THE PRESS

The Chairman. The press is going to be out there, and it is an opportunity for you to say whatever you want, to set the press straight or say nothing.

I am going to say when they come in here, so far as I am concerned, we had a general briefing on all of these subjects, and practically every subject, and I am not prepared to discuss any specifics relating to it. That we had a general briefing on the situation is all I am going to say.

Senator Hickenlooper. I think that is the wisest thing to say, and I expect to say the same thing, if it is all right with the Chairman.

The Chairman. Yes.

Senator Hickenlooper. You have to say something.

The Chairman. Of course, you may take advantage of this opportunity. This news may be a little scarce; to put in an enlightening or clarifying statement about the Congo, which might be—that is up to you. You use your own judgment on it, but you will have a good opportunity out there before you leave. I imagine you will get pretty wide coverage in the news.

If you would like to, you can stay here. The press comes in and I will let you say anything you feel is appropriate. It would be much better to say——

Secretary Rusk. I still have to go through that out there?

The Chairman. You have to do that twice anyway, but the press boys and the newspapers will come in here.

You have an opportunity if you think it is worthwhile, because you will get wide coverage in clarifying the Congo.

Secretary Rusk. I will if I can put in a couple of sentences, but I have the problem of time.

The CHAIRMAN. We can bring them in right now and you can say what you want to or you can leave.

Secretary RUSK. Why don't I make a brief statement here before the microphones and cameras and then beat it?

The CHAIRMAN. All right. You go ahead then.

Secretary RUSK. Thank you very much, sir.

[Whereupon, at 12:30 p.m., the committee adjourned, subject to call of the Chair.]

APPENDIX

APPENDIX A

87TH CONGRESS
1ST SESSION

S. CON. RES. 22

IN THE SENATE OF THE UNITED STATES

MAY 3, 1961

Mr. DIRKSEN (for himself, Mr. MANSFIELD, Mr. KEATING, Mr. COTTON, Mr. BUSH, Mr. SCOTT, Mr. CASE of New Jersey, Mr. FONG, Mr. ALLOTT, Mr. CASE of South Dakota, Mr. BOGGS, Mr. HUMPHREY, Mr. BENNETT, Mr. HRUSKA, Mr. BRIDGES, Mr. CARROLL, and Mr. STENNIS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations

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CONCURRENT RESOLUTION

Whereas the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors; and

Whereas the Republic of China is an original and continuing member of the United Nations which has faithfully discharged its obligations under the Charter of the United Nations as a peace-loving member of the community of nations; and

Whereas the Government of the Republic of China has demonstrated that it is worthy of the great traditions and culture of the Chinese people; and

Whereas the Chinese Communist regime continues to proclaim its blatant defiance of the United Nations and its principles; and

Whereas the Chinese Communist regime committed open aggression against United Nations forces in Korea for which it stands condemned by the United Nations, and boasts openly of its "victory" over United Nations forces in Korea; and

Whereas the Chinese Communist regime continues to suppress in defiance of United Nations resolutions the human rights of the Tibetan people; and

Whereas the Chinese Communist regime continues to threaten world peace by its military pressures and incursions against the territory of peaceful neighboring countries in Asia, including India; and

Whereas the Chinese Communist regime since its beginning has maintained an attitude of unremitting hostility toward the people and Government of the United States; and

Whereas the Chinese Communist regime continues to hold Americans in prison despite commitments for their release; and

Whereas the Chinese Communists not only seek to impose upon the United Nations arrogant contentions with respect to their own admission but also to expel the representatives of the Government of the Republic of China from the United Nations: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that it supports the President in his affirmation that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government as the Representative of China in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the United States supports the President in not according diplomatic recognition to the Chinese Communist regime.

DRAFT CONCURRENT RESOLUTION, JULY 15, 1961

Whereas the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors; and

Whereas the Republic of China has faithfully discharged its obligations under the Charter of the United Nations; and

Whereas the Chinese Communist regime by its aggression in Korea, its repression in Tibet, its threats against its neighbors, its failure to release American prisoners as promised, and its hostility toward the United States and the United Nations has demonstrated that it is unfit for representation in the United Nations:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government's representation in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the United States supports the President in not according diplomatic recognition to the Chinese Communist regime.

APPENDIX B

Calendar No. 864

87th CONGRESS
1st Session

S. 2180

[Report No. 882]

IN THE SENATE OF THE UNITED STATES

June 29, 1961

Mr. Humphrey (for himself, Mr. Sparkman, Mr. Wiley, Mr. Cooper, Mr. Hart, Mr. Clark, Mr. Anderson, Mr. Randolph, Mr. McGee, Mr. Case of New Jersey, Mrs. Neuberger, Mr. Javits, Mr. Pell, Mr. Pastore, and Mr. Proxmire) introduced the following bill; which was read twice and referred to the Committee on Government Operations

August 3, 1961

The Committee on Government Operations discharged, and referred to the Committee on Foreign Relations

September 6, 1961

Reported by Mr. Humphrey, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To establish a United States Disarmament Agency for World Peace and Security.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, PURPOSE, AND DEFINITIONS

SHORT TITLE

Section 1. This Act may be cited as the "Disarmament Act for World Peace and Security".

I

PURPOSE

SEC. 2. An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully. It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of disarmament.

Disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole. The formulation and implementation of United States disarmament policy in a manner which will promote the national security requires a central organization charged by statute with primary responsibility for this field. This organization must be so placed within the Government that it can provide the President, the Secretary of State, other officials of the executive branch, and the Congress with recommendations concerning United States disarmament policy, and can assess the effect of these recommendations upon our foreign policies, our national security policies, and our economy.

This organization must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic disarmament policy must be based. It must be able to carry out the following primary functions:

~~(1)~~ *(a)* The conduct, support, and coordination of research for disarmament policy ~~formulation.~~ *formulation;*

~~(2)~~ *(b)* The preparation for and ~~direction~~ *management* of United States participation in international negotiations in the disarmament ~~field.~~ *field;*

~~(3)~~ *(c)* The dissemination and coordination of public information concerning ~~disarmament.~~ *disarmament; and*

~~(4)~~ *(d)* The preparation for, operation of, or as appropriate, direction of United States participation in such control systems as may become part of United States disarmament activities.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "disarmament" includes the elimination, reduction, control, limitation, inspection, verification, or identification, of armed forces and armaments of all kinds under international ~~agreement or measure,~~ *agreement,* including the necessary steps ~~in connection with disarmament~~ *taken under such an agreement to* *establish an effective system of international control or* to create and strengthen international organizations for the maintenance of peace.

(b) The term "Government agency" means any executive department, commission, agency, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of Government.

(c) The term "Agency" means the United States Disarmament Agency *for World Peace and Security.*

~~(d) The term "person" means (1) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, Government agency other than the Agency, any State or any political subdivision thereof, or any political entity within a State, any foreign government or nation, any international organization, or other entity, and (2) any legal successor, representative, agent, or agency of the foregoing.~~

TITLE II—ORGANIZATION

UNITED STATES DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

SEC. 21. There is hereby established *within the Department of State an agency to be known as* ~~the United~~ *the "United* States Disarmament Agency for World Peace and ~~Security.~~ *Security".*

~~SEC. 22. The Agency shall be headed by a Director. He shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $22,500 per annum. The Director shall serve as the principal adviser to the President on disarmament matters. Under the direction of the President and the Secretary of State, the Director shall have primary responsibility within the Government for disarmament matters.~~

SEC. 22. The Agency shall be under the direction of an Under Secretary of State for Disarmament, who shall serve as the principal adviser to the Secretary of State and the President on disarmament matters. In carrying out his duties under this Act the Under Secretary of State for

Disarmament shall, under the supervision and direction of the Secretary of State, have primary responsibility within the Government for disarmament matters. He shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $22,500 per annum. For the purposes of this Act, he shall be referred to as the "Director".

DEPUTY DIRECTOR

SEC. 23. A Deputy Director of the Agency shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $21,500 per annum. The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe. He shall act for, and exercise the powers of, the Director during his absence or disability or during a vacancy in said office.

ASSISTANT DIRECTORS

SEC. 24. Not to exceed four Assistant Directors may be appointed by the President, by and with the advice and consent of the Senate. They shall receive compensation at the rate of $20,000 per annum. They shall perform such duties and exercise such powers as the Director may prescribe.

BUREAUS, OFFICES, AND DIVISIONS

SEC. 25. The Director, *under the supervision and direction of the Secretary of State,* may establish within the Agency such program and staff bureaus, offices, and divisions as he may determine to be necessary to discharge his responsibilities under this Act, including, but not limited to, an Office of Public Affairs and an Office of the General Counsel.

GENERAL ADVISORY COMMITTEE

SEC. 26. The President, *by and with the advice and consent of the Senate,* may appoint a General Advisory Committee of not to exceed fifteen members to advise the Director on disarmament policy and activities. The President shall designate one of the members as Chairman. The members of the committee may receive the compensation and reimbursement for expenses specified for consultants by section 41 (d) of this Act.

TITLE III—FUNCTIONS

RESEARCH

~~SEC. 31. The Director is authorized and directed to exercise his powers in such manner as to insure the conduct of research, development, and other studies relating to disarmament, by private or public institutions or persons, and~~

~~to assist in the acquisition of a fund of theoretical and practical knowledge in this field. To this end, the Director, under the direction of the President, is authorized and directed to coordinate the research, development, and other studies conducted in this field by or for other Government agencies in accordance with procedures established under section 37 of this Act. To the same end, the Director is authorized and directed to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies relating to disarmament, including:~~

SEC. 31. The Agency is authorized and directed to exercise its powers in such manner as to insure the acquisition of a fund of theoretical and practical knowledge concerning disarmament. To this end, the Agency is authorized and directed (1) to conduct research, development, and other studies in the field of disarmament; (2) to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies in the field of disarmament by private or public institutions or persons; and (3) to coordinate the research, development, and other studies conducted in the field of disarmament by or for other Government agencies in accordance with procedures established under section 34 of this Act. In carrying out its responsibilities under this Act, the Agency shall, to the maximum extent feasible, make full use of available facilities, Gov-

ernment and private. The authority of the Agency with respect to research, development, and other studies shall include participation in the following insofar as they relate to disarmament:

(a) the detection, identification, inspection, monitoring, limitation, reduction, control, and elimination of armed forces and armaments, including thermonuclear, nuclear, missile, conventional, bacteriological, chemical, and radiological weapons;

(b) the techniques and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear, and other weapons;

(c) the analysis of national budgets, levels of industrial production, and economic indicators to determine the amounts spent by various countries for armaments;

(d) the control, reduction, and elimination of armed forces and armaments in space, in areas on and beneath the earth's surface, and in underwater regions;

(e) the structure and operation of international control and other organizations useful for disarmament;

(f) the training of scientists, technicians, and other personnel for manning the control systems which may be created by international disarmament agreements;

(g) the reduction and elimination of the danger of war resulting from accident, miscalculation, or surprise attack, including (but not limited to) improvements in the methods of communications between nations;

(h) the economic and political consequences of disarmament, including the problems of readjustment arising in industry and the reallocation of national resources;

(i) the disarmament implications of foreign and national security policies of the United States with a view to a better understanding of the significance of such policies for the achievement of disarmament;

(j) the national security and foreign policy implications of disarmament proposals with a view to a better understanding of the effect of such proposals upon national security and foreign policy;

(k) methods for the maintenance of peace and security during different stages of disarmament;

(l) the scientific, economic, political, legal, social, psychological, military, and technological factors related to the prevention of war with a view to a better understanding of how the basic structure of a lasting peace may be established;

(m) such related problems as the Director may determine to be in need of research, development, or study in order to carry out the provisions of this Act.

~~RESEARCH FACILITIES~~

~~SEC. 32. The Director is authorized (1) to conduct and support research, development, and other studies of the types specified in the preceding section through use of the Agency's own facilities, and (2) to use, with their consent, the facilities of other Government agencies or those of outside organizations. In carrying out his responsibilities under this Act the Director shall, to the extent feasible, make full use of available facilities, Government and private, and may construct such new laboratories as he deems necessary.~~

PATENTS

SEC. 32. No appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Director may determine to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this section shall be construed to deprive the owner of any background patent relating to any such activity of any right which he may have under that patent.

~~POLICY FORMULATION~~

~~SEC. 33. The Director is authorized and directed to prepare for the President, the Secretary of State, and the heads of such other Government agencies as the President may determine, recommendations concerning United States disarmament policy.~~

~~NEGOTIATION OF INTERNATIONAL AGREEMENTS~~

~~SEC. 34. Under the direction of the Secretary of State, the Director may (a) consult and communicate with or direct the consultation and communication with representatives of other nations or of international organizations for the purpose of conducting negotiations concerning disarmament or for the purpose of exercising any other authority given to the Director by this Act; and (b) communicate in the name of the Secretary with diplomatic representatives of the United States in this country and abroad.~~

~~PUBLIC INFORMATION~~

~~SEC. 35. Under the direction of the Secretary of State, the Director shall perform functions pursuant to section 2 (c) of Reorganization Plan 8 of 1953 with respect to the dissemination abroad of information concerning United States disarmament activities.~~

~~INSPECTION AND CONTROL~~

~~SEC. 36. The Director is authorized (1) to formulate plans and make preparations for the establishment, operation, and funding of inspection and control systems which may become part of the United States disarmament activities and, (2) as appropriate, to put into effect, direct, or otherwise assume United States responsibility for such systems.~~

POLICY, NEGOTIATIONS AND RELATED FUNCTIONS

SEC. 33. Under the supervision and direction of the Secretary of State—

(a) the Director shall prepare for the President, the Secretary of State, and the heads of such other Government agencies as the President may determine, recommendations concerning United States disarmament policy.

(b) the Director, for the purpose of conducting negotiations concerning disarmament or for the purpose of exercising any other authority given him by this Act, may (1) consult and communicate with or direct the consultation and communication with representatives of other nations or of international organizations and (2) communicate in the name of the Secre-

tary with diplomatic representatives of the United States in this country and abroad.

(c) the Director shall perform functions pursuant to section 2(c) of Reorganization Plan 8 of 1953 with respect to providing to the United States Information Agency official United States positions and policy on disarmament matters for dissemination abroad.

(d) the Director is authorized (1) to formulate plans and make preparations for the establishment, operation, and funding of inspection and control systems which may become part of the United States disarmament activities, and (2) as authorized by law, to put into effect, direct, or otherwise assume United States responsibility for such systems.

~~COOPERATION AND~~ COORDINATION

SEC. ~~37~~ *34*. The ~~Director, in consultation with other appropriate Government agencies and subject to approval by the President, shall develop suitable procedures to assume cooperation, coordination, and a continuing exchange of information among affected Government agencies on~~ *President is authorized to establish procedures to (1) assure cooperation, consultation, and a continuing exchange of information between the Agency and the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration and other affected Gov-*

ernment agencies, in all significant aspects of United States disarmament policy and related matters, including current and prospective policies, plans, and ~~programs. The Director and such Government agencies shall keep each other fully informed, currently and prospectively, of policy decisions, activities, statements, studies, research, and other matters which are within the scope of their respective responsibilities and which affect disarmament matters.~~ *programs, and (2) resolve differences of opinion between the Department of State and such other agencies which cannot be resolved through consultation.*

TITLE IV—GENERAL PROVISIONS

GENERAL AUTHORITY

SEC. 41. In the performance of ~~his~~ *its* functions, the ~~Director~~ *Agency* is authorized to—

(a) ~~with the consent of the Secretary of State or other officer or agency concerned,~~ utilize or employ the services, personnel, equipment, or facilities of ~~the Department of State, or~~ any other Government agency, *with the consent of the agency concerned,* to perform such functions on behalf of the Agency as may appear desirable. ~~It is the intent of this section that the Director rely upon the Department of State for general administrative services in the United States and abroad to the extent agreed upon between the Secretary of State and~~

~~the Director.~~ Any Government agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Director, without reimbursement, supplies and equipment other than administrative supplies or equipment. Transfer or receipt of excess property shall be in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended;

(b) appoint officers and employees, including attorneys, for the Agency in accordance with the civil service laws and fix their compensation in accordance with the Classification Act of 1949, as amended, except that, to the extent that the Director deems such action necessary to the discharge of his responsibilities, not to exceed forty-five scientific, technical, administrative, and professional personnel may be appointed, compensated, and removed without regard to the provisions of any other law, of whom not to exceed twenty may be compensated at annual rates not more than $500 in excess of the compensation now or hereafter fixed by law for grade 18 of the General Schedule, and of whom not to exceed two may be compensated at annual rates not more than $1,500 in excess of that now or hereafter fixed by law for grade 18;

(c) enter into agreements with other Government agencies, including the military departments through the Secretary of Defense, under which officers or employees of such agencies may be detailed to the Agency for the performance of service pursuant to this Act without prejudice to the status or advancement of such officers or employees within their own agencies;

(d) procure services of experts and consultants or organizations thereof, including stenographic reporting services, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed $100 per diem for individuals, and to pay in connection therewith travel expenses of individuals, including transportation and per diem in lieu of subsistence while away from their homes or regular places of business, as authorized by section 5 of said Act, as amended (5 U.S.C. 73b–2): *Provided*, That *no such individual shall be employed for more than one hundred days in any fiscal year unless the President certifies that employment of such individual in excess of such number of days is necessary in the national interest: And provided further, That* such contracts may be renewed annually;

(e) employ individuals of outstanding ability without compensation in accordance with the provisions of section 710(b) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160), and regulations issued thereunder;

~~(f) employ, with the prior approval of the President, not to exceed three retired commissioned officers of the Armed Forces who are experts in military strategy or weapons systems and whose service shall not be considered as employment or holding of office or position bringing such individuals within the provisions of section 2 of the Act of July 31, 1894 (5 U.S.C. 62); section 13 of the Civil Service Retirement Act, as amended (5 U.S.C. 2263); section 212 of Public Law 72-212, as amended (5 U.S.C. 59a); or any other law limiting the reemployment of such officers or governing their simultaneous receipt of compensation and retired pay or annuities;~~

~~(g)~~ *(f)* establish advisory boards to advise with and make recommendations to the ~~Director~~ *Agency* on United States disarmament policy and activities. The members of such boards may receive the compensation and reimbursement for expenses specified for consultants by section 41 (d) of this Act;

~~(h) make such investigations and obtain such information as the Director may deem necessary or proper to assist him in exercising any authority provided in this Act;~~

~~(i) acquire, purchase, lease, and hold real and personal property, including patents, as agent of and on behalf of the United States, subject to the provisions of section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and sell, lease, grant, and dispose of such real and personal property in accordance with the Federal Property and Administrative Services Act of 1949, as amended;~~

~~(j) accept in the name of the Agency and to hold and administer any conditional or unconditional gifts, devises, bequests, grants, or other donations or contributions of money, securities, or real or personal property, for use in the furtherance of the purposes of this Act. The Director shall not accept any conditional gift, devise, bequest, grant, or other donation or contribution which is conditioned upon any expenditure not to be met therefrom or from the income thereof unless such expenditure has been approved by Act of Congress;~~

~~(k) delegate, as appropriate, to the Deputy Director or other officers of the Agency, with power to redelegate as needed, any authority conferred upon the Director by the provisions of this Act; and~~

~~(l) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary or desir-~~

~~able to the exercise of any authority conferred upon the Director by the provisions of this Act.~~

~~FOREIGN SERVICE RESERVE AND STAFF OFFICERS~~

~~SEC. 42. The Secretary of State may authorize the Director to exercise, with respect to Foreign Service Reserve officers and Foreign Service Staff officers and employees appointed or employed for the Agency, the following authority: (i) The authority available to the Secretary of State under the Foreign Service Act of 1946, as amended, (ii) the authority available to the Secretary under any other provision of law pertaining specifically, or generally applicable, to such officers or employees, and (iii) the authority of the Board of Foreign Service pursuant to the Foreign Service Act of 1946, as amended. The appointment or employment of Foreign Service Reserve officers pursuant to this subsection may be made without regard to the term or terms of appointment or employment prescribed by section 522 of the Foreign Service Act of 1946, as amended.~~

CONTRACTS OR EXPENDITURES

SEC. ~~43~~ *42*. The President may, in advance, exempt actions of the Director from the provisions of law relating to contracts or expenditures of Government funds whenever he determines that such action is essential in the interest of United States disarmament *and security* policy.

CONFLICT OF INTEREST AND DUAL COMPENSATION LAWS

Sec. ~~44~~ *43*. The members of the General Advisory Committee created by section 26 of this Act, and the members of the advisory boards, the consultants, and the individuals of outstanding ability employed without compensation, all of which are provided in section 41 of this Act, may serve as such without regard to the provisions of section 281, 283, 284, or 1914 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U.S.C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of individuals, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States Government, except insofar as such provisions of law may prohibit any such individual from receiving compensation from a source other than a nonprofit educational institution in respect of any particular matter in which the Agency is directly interested. Nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 13 of the Civil Service Retirement Act (5 U.S.C. 2263), section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

SECURITY REQUIREMENTS

~~SEC. 45. (a) The Director shall establish such security requirements, restrictions, and safeguards as he deems necessary in the interest of national security. The Director may arrange with the Secretary of State or with the Civil Service Commission for the conduct of such security or other personnel investigations of the Agency's officers, employees, consultants, persons detailed from other Government agencies, and its contractors and subcontractors and their officers and employees, actual or prospective, as he deems appropriate; and if any such investigation develops any data reflecting that the individual who is the subject thereof is of questionable loyalty, the matter shall be referred to the Federal Bureau of Investigation, the results of which shall be furnished to the Director.~~

SEC. 44. (a) The Agency shall establish such security and loyalty requirements, restrictions, and safeguards as it deems necessary in the interest of the national security and to carry out the provisions of this Act. The Agency shall arrange with the Federal Bureau of Investigation for the conduct of full-field background security and loyalty investigation of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, *members of its General Advisory Committee, advisory boards, contractors and subcontractors, and their officers and employees, actual or prospective. In the event the investigation discloses information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Office of Security of the Department of State for final determination. No person shall be permitted to enter on duty as such an officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to perform any services under the contract or to have access to any classified information relating thereto, until he shall have been investigated in accordance with this subsection and the report of such investigation made to the Agency, and it shall have been determined that such person is not a security risk or of doubtful loyalty. Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purposes shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the Government agency or agencies having the highest security restrictions with respect to persons in such category.*

(b) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee, or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to Restricted Data by the Atomic Energy Commission under section 2165 of title 42, to permit the Director or any officer, employee, consultant, person detailed from other Government agencies, member of the General Advisory Committee or of an advisory board, contractor, subcontractor, prospective contractor, or prospective subcontractor, or officer or employee of such contractor, subcontractor, prospective contractor, or prospective subcontractor, to have access to Restricted Data which is required in the performance of his duties and so certified by the Director, but only if (1) the ~~Director~~ *Atomic Energy Commission* has determined, in accordance with the established personnel security procedures and standards of the ~~Agency~~ *Commission*, that permitting such individual to have access to such Restricted Data will not endanger the common defense and security, and (2) the ~~Director~~ *Atomic Energy Commission* finds that the established personnel and other security procedures and standards of the Agency are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 2165 of title 42, including those for interim clearance in subsection (b) thereof. Any individual granted access to such Restricted Data pursuant to this subsection may exchange such data with any individual who ~~(a)~~ *A* is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the Armed Forces, or an officer or employee of the National Aeronautics and Space Administration, or a contractor or subcontractor of any such department, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and ~~(b)~~ *B* has been authorized to have access to Restricted Data under the provisions of sections 2163 or 2455 of title 42.

~~(c) Any and all of the functions of the Director described in this section may be the subject of an agreement between the Director and the Secretary of State under section 41 (a) of this Act.~~

~~COMPTROLLER GENERAL AUDIT~~

~~SEC. 46. No moneys appropriated for the purpose of this Act shall be available for payment under any contract with the Director, negotiated without advertising, except contracts with any foreign government, international organization or any agency thereof, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after~~

~~final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts: *Provided, however,* That no moneys so appropriated shall be available for payment under such contract which includes any provisions precluding an audit of the General Accounting Office of any transaction under such contract: *And provided further,* That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Director and the General Accounting Office.~~

~~PRESIDENTIAL AUTHORITY TO TRANSFER CERTAIN FUNCTIONS~~

~~SEC. 47. The President may transfer to the Director any functions (including powers, duties, activities, facilities, and parts of functions)~~

TRANSFER OF FUNCTIONS TO AGENCY

SEC. 45. (a) The United States Disarmament Administration, together with its records, property, personnel, and funds, is hereby transferred to the Agency. The appropriations and unexpended balances of appropriations transferred pursuant to this subsection shall be available for expenditure for any and all objects of expenditure author-

ized by this Act, without regard to the requirements of apportionment under section 665 of title 31.

(b) The President, by Executive order, may transfer to the Director any activities or facilities of any Government agency which relate primarily to disarmament. In connection with any such transfer, the President may ~~provide for appropriate transfer of funds, records, property, and for necessary civilian and military personnel to be made available from the agency from which the transfer is made~~ *under this section or other applicable authority, provide for appropriate transfers of records, property, civilian personnel, and funds. No transfer shall be made under this subsection until (1) a full and complete report concerning the nature and effect of such proposed transfer has been transmitted by the President to the Congress, and (2) the first period of sixty calendar days of regular session of the Congress following the date of receipt of such report by the Congress has expired without adoption by either House of the Congress of a resolution stating that such House does not favor such transfer.*

USE OF FUNDS

SEC. ~~48~~ *46*. Appropriations made ~~to the Director~~ for the purposes of this Act, and transfers of funds to ~~him~~ *the Agency* by other Government agencies for such purposes, shall be available to ~~him~~ *the Agency* to exercise any authority granted ~~him~~ *it* by this Act, and shall also be available for the following uses to carry out the purposes of this ~~Act:~~

~~(1) rent of buildings and space in buildings in the District of Columbia: *Provided,* That to the extent feasible, the Director shall rely upon the General Services Administration for this purpose.~~

~~(2) administrative expenses incident to carrying out the purposes of this Act, including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111);~~

~~(3) purchase or hire of one passenger motor vehicle for the official use of the Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code or any other law relating to the purchase or use of Government-owned motor vehicles;~~

~~(4) entertainment and official courtesies (not to exceed $25,000 in any fiscal year except as may otherwise be provided in an appropriation);~~

~~(5) expenditures (not to exceed $50,000 in any fiscal year except as may be provided in an appropriation) of a confidential character other than entertainment: *Provided,* That a certificate of the amount of each such expenditure, the nature of which it is~~

~~considered inadvisable to specify, shall be made by the Director and every such certificate shall be deemed a sufficient voucher for the amount therein specified;~~

~~(6) expenses authorized by the Foreign Service Act of 1946, as amended, not otherwise provided for;~~

~~(7) expenses in connection with travel of personnel outside the United States, including transportation, expenses of dependents, and transportation of personal effects, household goods, and automobiles of such personnel, and including all such expenses when any part of such travel or transportation begins in one fiscal year pursuant to travel orders issued in that fiscal year, notwithstanding the fact that such travel or transportation may not be completed during the same fiscal year;~~

~~(8) expenditures necessary to make grants for, and to pay expenses incident to, training and study;~~

~~(9) expenditures in connection with participation in international conferences for the purposes described in section 3 of this Act, including, but not limited to, rental of quarters by contract or otherwise.~~

Act including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111); purchase or hire of one passenger motor vehicle for the official use of the

Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code; entertainment and official courtesies to the extent authorized by appropriation; expenditures for training and study; expenditures in connection with participation in international conferences for the purposes of this Act; and expenses in connection with travel of personnel outside the United States, including transportation expenses of dependents, household goods, and personal effects.

APPROPRIATIONS

SEC. ~~40~~ *47.* (a) There are hereby authorized to be appropriated ~~to the Agency such sums as may be necessary and appropriate to carry out the purposes of this Act. Sums appropriated pursuant to this section for research development and studies shall remain available until expended~~ *not to exceed $10,000,000, to remain available until expended, to carry out the purposes of this Act.*

(b) Funds appropriated pursuant to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure in accordance with authority granted in this Act, or under authority governing the activities of the agencies to which such funds are allocated or transferred.

REPORT TO CONGRESS

Sec. ~~50~~ *48*. The ~~Director~~ *Agency* shall submit to the ~~President~~ *Secretary of State*, for transmittal to the Congress, not later than January 31 of each year, a report concerning activities of the Agency. The ~~Director~~ *Agency* shall include in ~~his~~ *this* report, and shall at such other times as ~~he~~ *the Secretary of State* deems desirable submit to the Congress, ~~such~~ recommendations for additional legislation ~~as he deems~~ *deemed* necessary or advisable.

Calendar No. 864

87TH CONGRESS
1ST SESSION

S. 2180

[Report No. 882]

A BILL

To establish a United States Disarmament Agency for World Peace and Security.

By Mr. HUMPHREY, Mr. SPARKMAN, Mr. WILEY, Mr. COOPER, Mr. HART, Mr. CLARK, Mr. ANDERSON, Mr. RANDOLPH, Mr. MCGEE, Mr. CASE of New Jersey, Mrs. NEUBERGER, Mr. JAVITS, Mr. PELL, Mr. PASTORE, and Mr. PROXMIRE

JUNE 29, 1961

Read twice and referred to the Committee on Government Operations

AUGUST 8, 1961

The Committee on Government Operations discharged, and referred to the Committee on Foreign Relations

SEPTEMBER 6, 1961

Reported with amendments

APPENDIX C

January 3, 1962.

The Honorable J. W. **Fulbright,**
Chairman, Committee on Foreign Relations,
United States Senate.

Dear Mr. Chairman: At the meeting of Secretary Rusk with the Foreign Relations Committee on December 20 the following information was requested and is being supplied as indicated below.

1. Chronology of events in the Congo. Requested by Senator Humphrey. Page 55 of the transcript.

Forwarded to the Committee December 27.

2. Information on submission of Portuguese-Indian controversy over enclaves to the International Court. Volunteered by Secretary Rusk. Page 14 of the transcript.

Attached as Tab I.

3. Individuals registered as foreign agents and working on public information matters concerning the Katanga problem. Requested by Senator Humphrey. Page 26 of the transcript.

Attached as Tab II.

4. Congo authority requesting initial UN intervention. Requested by Senator Hickenlooper, page 32 and Senator Humphrey, page 35, of the transcript.

Attached as Tab III.

5. Department's comments on Indonesian-Dutch dispute over West New Guinea and magnitude of U.S. interests in Indonesia. Requested by Senator Fulbright. Pages 71-72 of the transcript.

Attached as Tab IV.

6. "A two-column list of the things which are unfavorable and the things which are favorable from the point of view of the West in Ghana". Requested by Senator Fulbright. Page 73 of the transcript.

Forwarded to the Committee January 2. Copy at Tab V.

7. Exact vote on the UN Assembly action concerning Chinese representation at the recent session of the General Assembly. Volunteered by Secretary Rusk. Page 87 of the transcript.

Attached as Tab VI.

8. Compilation of Indian press reports on the Goan invasion including breakdown as between the press in northern and southern India. Requested by Senator Hickenlooper. Page 89 of the transcript.

Attached as Tab VII.

I hope you will let me know if you would like to have any further information provided concerning the above matters.

Sincerely,

Frederick G. Dutton

[TAB I]

Portuguese—Indian Dispute Over Enclaves

The International Court of Justice has considered the question of Portuguese sovereignty over and rights of passage to two Portuguese enclaves, Dadra and Nagar-Aveli, which lie to the northeast of Bombay and are entirely surrounded by Indian territory. On December 22, 1955, Portugal instituted proceedings against India, alleging that Indian interference with Portuguese passage between the coastal Portuguese territory of Daman and the two enclaves, and between the two enclaves, has made impossible the exercise by Portugal of its sovereignty over the enclaves.

The Court concluded that Portuguese sovereignty over Dadra and Nagar-Aveli had been recognized by the British and, subsequently, tacitly recognized by India. However, the Court found that India's refusal to permit Portuguese passage from Daman to the enclaves in 1954 was justified in view of the tense conditions accompanying the overthrow of Portuguese authority in Dadra in July of that year.

The question of Portuguese sovereignty over Goa has not come before the International Court.

[TAB II]

According to records of the Department of Justice, there is only one individual, registered as a foreign agent, working on Katanga public information matters.

He is Michel Struelens, a Belgian national, who operates the Katanga Information Service at 609 Fifth Avenue, New York 17, New York. He claims, in addition to being the head of the Katanga Information Service, also to be an official representative of "the President of the Katanga Government," and a liaison officer with the United Nations.

[TAB III]

Authority Requesting U.N. Assistance in Congo

The specific authority in the Congo requesting initial United Nations intervention there was the Government of the Republic of the Congo as constituted in the Cabinet of Ministers headed by Prime Minister Lumumba.

On July 12, 1960, the Congo Government made a formal request (via cable, followed by a radio address by Foreign Minister Bomboko) to the United Nations for troops to restore order. This request followed on the heels of a similar request to the United States for American troops. Foreign Minister Bomboko explained that the United States troops were requested to serve as an emergency stop-gap until the arrival of United Nations troops.

On July 13, 1960, the Security Council voted 8-0 for Tunisian resolution which (1) called on Belgium to withdraw its troops from the Congo, but without specifying a time limit, and (2) authorized Secretary General to send "such military assistance as may be necessary until, through the efforts of the United Nations, the national security forces may be able to meet fully their tasks." The United Kingdom, France, China abstained because of implied rebuke to Belgium.

[TAB IV]

January 2, 1962.

The Honorable J. W. FULBRIGHT,
United States Senate.

DEAR SENATOR FULBRIGHT: I have learned from the Secretary that in his meeting with members of the Senate Foreign Relations Committee on Wednesday, December 20 you were particularly interested in prospective United States reaction in the event that Indonesia resorts to military action in West New Guinea and in United States planning for that possibility. While we have been engaged in some preliminary contingency planning in the event of hostilities, our primary efforts have been directed to seeking a workable basis for a peaceful solution to the problem. Both sides look to us for help in reaching such a solution.

The problem stems from the settlement made between The Netherlands and Indonesia in 1949 when Indonesia secured its independence. The territory of West New Guinea remained under Dutch control subject to later negotiations between the two parties. Although negotiations were held, no solution was found and the issue rapidly became the cause of estrangement between the two countries.

After the failure of negotiations and of Indonesian attempts to secure United Nations assistance, Indonesia took steps to apply other pressure on the Dutch. Dutch property in Indonesia was seized, Dutch nationals expelled, diplomatic relations were broken and, finally, even indirect diplomatic relations were severed. At the same time Indonesia began to look to the Soviet Bloc for diplomatic support and for armaments not obtainable from the West in order to build up Indonesian forces to confront the Dutch.

In the meantime, the Dutch faced with the problem of operating a territory which was an economic liability, hastened moves to make the territory self-governing. This process culminated in April 1961 with the inauguration of the West New Guinea Council, a partially elected, partially appointed body designed to advise the Dutch administration of the territory. In November 1961 the Council adopted a new name for the territory, West Papua, a flag and a national anthem, none of these formally recognized as yet by the Dutch. Indonesia viewed these moves as a Dutch stratagem to prevent the territory's becoming Indonesian.

Throughout the long course of the dispute the United States attempted to remain outside the quarrel and to maintain good relations with both nations. However, in recent months it became clear that United States national interests required that the problem be solved and that the United States must take an active part, without sacrificing its impartial attitude toward the parties, to this end.

The Department reached the conclusion that the best prospect for solving the problem was in attempting to establish an interim UN administrative arrangement allowing for the graceful exit of the Dutch from the scene pending eventual determination of the area's future status. The Dutch, thinking along roughly parallel lines, determined to seek United Nations support for a United Nations administration of the area pending eventual self-determination by the inhabitants of the territory. The Dutch had thus reached the conclusion that they should end their administration of West New Guinea.

In the United Nations the United States supported a resolution formulated by the "Brazzaville" nations which called for negotiations between the parties under the aegis of the Secretary General and which provided, if a settlement was not reached by March 1, 1962, for the establishment of a United Nations Commission to investigate the situation and to make recommendations concerning the territory to the next General Assembly. This measure, opposed by Indonesia and supported by the Dutch, won a majority of votes but not the two-thirds required.

A second resolution, sponsored by India and supported by the Indonesians, calling for direct negotiations between the parties did not receive a majority of the votes cast. As the result of the U.N. voting, Indonesia indicated that it believed the United States to have abandoned its impartiality in the issue.

Subsequent to these activities in the United Nations, President Sukarno announced a policy of "total confrontation" of the Dutch and gave strong indications that Indonesia was preparing to use military force to seize West New Guinea. Because the situation was deemed to be serious, the President wrote Sukarno on December 9 pointing out that we had not abandoned our impartial stand and that we continued to feel that the issue could be solved by peaceful means. The President stressed that continued threats of force would severely limit our ability to be helpful. President Sukarno's reply was not especially forthcoming. However, Sukarno has not taken an irrevocable step and some flexibility in the Indonesia position is discernable.

At the present time our efforts are directed to encouraging The Netherlands and Indonesia to meet in direct negotiations without preconditions on either side. Some progress to this end is being made. At this point, it seems likely that the negotiations may be held in the presence of a third party, probably the U.N. Secretary General. Nevertheless, the threat of hostilities remains and United States action in such an eventuality must be considered.

In the event of hostilities we estimate that:

1. Indonesia has the capability to put 2 or 3 battalions (the Indonesian Army is organized in battalions rather than regiments) into West New Guinea to seize limited points in the territory.
2. We believe that the Dutch can make a strong and effective resistance with the small forces it has in the territory. We do not believe that the Dutch public will support a full-scale war with Indonesia or that the Dutch Government will seek to undertake a major operation.
3. We believe that the United Kingdom would, reluctantly, adhere to its pledges to give logistic support to the Dutch insofar as they are able to do so politically.
4. We believe that Australia, although uncommitted to assist, may well aid the Dutch in West New Guinea with logistic support. It is unlikely, on the other hand, that the Australians will put troops into West New Guinea. It is worth noting, parenthetically, that the Australian Government believes that the threats voiced by Indonesia are bluff and should not be taken seriously, a view we do not share.
5. The Dutch have informed us that in view of the bellicose statements by Sukarno and recent events in Goa, they are giving consideration to possible resort to the U.N. Security Council. It is clear that if force were used or is imminent, the matter would be brought to the U.N. by the Dutch.
6. Secretary Rusk has informed the Dutch Ambassador that the United States could not assist the Dutch militarily in the event of an Indonesian attack, unless such military assistance were undertaken in response to a request from the United Nations.
7. In case of hostilities, the United States would seek to localize the conflict to prevent its escalation into a much broader conflict. Additionally, we would endeavor through the U.N. and in bilateral contacts to take action which appeared appropriate at the time, including moves to obtain immediate cessation of military operations.

In the event of hostilities, United States action in detail, will be determined in large measure by the circumstances existent at that time. In view of Indonesia's strategic location, enormous population (90-100 million) and rich natural resources it is very much in the interest of the United States to foster a peaceful solution, avoiding thereby Indonesian military activities which could only have the effect of increasing Soviet Bloc influence in Indonesian affairs, particularly with the Army leaders who are, to date, pro-West in outlook.

I understand you also wished to have information about the magnitude of United States interests in Indonesia. I am enclosing a summary statement regarding direct United States interests in Indonesia together with another summary, External Economic Assistance—Indonesia, provided from the Agency for International Development Far East data book. I hope these papers will be helpful to you.

Sincerely yours,

W. AVERELL HARRIMAN

Attachments:

Tab A—Magnitude of U.S. interests in Indonesia.
Tab B—External Economic Assistance—Indonesia.

[TAB A]

Magnitude of United States Interests in Indonesia

As of end 1960, United States direct investment in Indonesia was an estimated $178 million.

In addition, short-term loans (less than one year) to Indonesia were estimated at $200,000 and long-term (more than one year) claims by banks were estimated at $44 million.

Of the $178 million direct investment, $11 million was accounted for by manufacturing industries, $1 million by trade and distribution companies, and the remaining $166 million by the two American oil companies, Stanvac and Caltex. (The figures for the oil companies are estimates only, as the companies themselves have declined to estimate the extent of their investments.)

The major United States enterprises in Indonesia are:

Stanvac
Caltex
U.S. Rubber
Goodyear Rubber
Union Carbon and Carbide (a small factory making dry batteries)
Proctor and Gamble (margarine and cooking oils)
National Cash Register
Singer Sewing Machine
A small cosmetics manufacturer
Individual Americans representing various United States firms, such as motion picture companies and insurance companies

Source: U.S. Department of Commerce.

[TAB B]

EXTERNAL ECONOMIC ASSISTANCE—INDONESIA FROM UNITED STATES

[Dollars in millions or equivalents]

	Obligations and Commitments			
	Cumulative FY 1946-61	FY 1959	FY 1960	FY 1961
U.S. GOVERNMENT TOTAL	**583.5**	**63.7**	**70.6**	**25.5**
Grants	211.8	22.8	10.3	16.6
Loans	371.7	40.9	60.3	8.9
INTERNATIONAL COOPERATION ADMINISTRATION [1]	**194.9**	**7.2**	**7.9**	**8.3**
Technical Cooperation	50.2	6.0	6.5	5.8
Defense Support/Special Assistance [2]	144.7	1.2	1.4	2.5
DEVELOPMENT LOAN FUND (Loan Approvals)	11.6	9.0	2.6	—
FOOD FOR PEACE (PL 480)	**145.9**	**35.6**	**10.3**	**17.2**
Title I—Planned for Loans and Grants	139.2	34.2	9.6	15.8
Sales Agreement Value [3] (Non-Add)	(168.0)	(40.3)	(11.3)	(19.7)

EXTERNAL ECONOMIC ASSISTANCE—INDONESIA FROM UNITED STATES—Continued

[Dollars in millions or equivalents]

	Obligations and Commitments			
	Cumulative FY 1946–61	FY 1959	FY 1960	FY 1961
Title II—Emergency Relief [4]	—	—	—	—
Title III—Voluntary Agencies [4]	6.7	1.4	0.7	1.4
EXPORT-IMPORT BANK (Long-Term)	163.4	11.9	49.8	—
OTHER U.S. ECONOMIC ASSISTANCE	67.7	—	—	—

U.S. PRIVATE	Net New Annual Investments			
	CY 1958	CY 1959	CY 1960	Total as of December 1960
DIRECT PRIVATE INVESTMENT	27	−33	15	178

FROM MULTILATERAL AND OTHER FREE WORLD SOURCES

(Dollars in millions)

	Cumulative FY 1947–61	FY 1959	FY 1960	FY 1961
MULTILATERAL				
1960 Authorizations	—	—	—	—
U.N. Technical Assistance (CY ending in FY)	9.3	1.3	1.3	1.4
U.N. Special Fund	0.6	—	0.6	—
Other	—	—	—	—
OTHER FREE WORLD (Selected countries)	n.a.	**20.1**	**81.5**	
Australia		0.7	0.9	
Canada		0.2	0.4	
New Zealand		0.2	0.2	
Yugoslavia		—	10.0	
Japanese Reparations [5]		19.0	20.0	
Japan—Other		—	50.0	

SINO-SOVIET BLOC ECONOMIC AID

(Dollars in million equivalents)

		Calendar Years		
	Cumulative 1955–60 [6]	1958	1959	1960
TOTAL BLOC COMMITMENT Total of $544 million thru June 30, 1961.	**509.0**	**49.6**	**21.8**	**282.6**

[1] Includes predecessor agencies. [2] Includes $101.4 million during FY 1949 and FY 1950 channeled through the Netherlands. [3] At world market prices. [4] At CCC cost. [5] Under reparations agreement Japan agreed to provide $223.0 million in grants in 12 installments beginning 1958 and to cancel Indonesia's trade debt of $176.9 million. In addition Japan is investing $50 million in the petroleum industry.

[TAB V]

January 2, 1962.

DEAR SENATOR FULBRIGHT: At the meeting of Secretary Rusk with the Senate Foreign Relations Committee members on Wednesday, December 20, you expressed interest in receiving a two-column list of the things which are unfavorable and the things which are favorable from the point of view of the West in Ghana.

I am attaching the requested list.

Please let us know if there is anything further we may provide on this question.

Sincerely,

Frederick G. Dutton,
Assistant Secretary.

Enclosure:
List—Conditions Favorable and Unfavorable to the West in Ghana.

CONDITIONS FAVORABLE AND UNFAVORABLE TO THE WEST IN GHANA

Favorable:

1. The recent United States decision to participate in the Volta River Project provides opportunity to exercise constructive influence on Ghanaian policy through major presence and demonstration of United States interest.
2. In a speech to the Ghanaian nation following United States announcement of United States participation in Volta Project, President Nkrumah expressed gratitude to the United States for its assistance, stated he would follow a foreign policy of independence and non-alignment, recognized the need for some private foreign investment in Ghana, and pledged to protect Valco Aluminum Smelter against nationalization.
3. Inherent friendliness of the Ghanaian people toward United States and the West. Their cultural and religious orientation emphasizing freedom of individual expression is in accord with Western principles. The faith of the Ghanaian people has been buttressed by our participation in the Volta Project, which is a concrete demonstration to them of the desire of the United States to assist in developing African nations without attaching political strings.
4. Africans find regimentation such as Nkrumah is trying to impose distasteful. Ghanaians are becoming restive and disenchantment with Nkrumah's authoritarian policies is growing.
5. Growing isolationism of Nkrumah in African councils as other leaders shy away from his pretentions to Pan-African leadership.
6. Successful United States aid program. Although modest, it has been immeasurably successful in agricultural training and development and has made many friends for the United States. The United States has agreed to establish the National Institute of Health program in Ghana in response to a direct appeal by President Nkrumah to President Kennedy.
7. Peace Corps program was requested by Ghana and in its first stages has been highly successful. Government of Ghana has requested additional Peace Corps volunteers.
8. Dependence of Ghana on World Bank for financial advice and loans.
9. Western orientation of the army and police. The Government of Ghana has recently requested the United States, United Kingdom and Canada to assist in the training of some of its military personnel.
10. Dependence of Ghana on the West as the largest buyer of its major export—cocoa.
11. Continued membership of Ghana in the British Commonwealth.
12. Warm, popular reception given Queen Elizabeth II on her state visit to Ghana in November 1961.
13. Requests by Ghana for United States assistance in staffing the faculty of the University of Ghana and signing of the Fulbright Argreement.

Unfavorable:

1. Nkrumah's emotional unpredictability.
2. Increased totalitarian trend of the Government.
3. Accentuated trend toward the suppression of civil and political rights.
4. Stringent press censorship.
5. Affinity of Ghana's policies in the international field to Soviet Bloc positions and objectives.
6. Signs of financial instability due to mounting expenditures and decline foreign exchange reserves.
7. Avowed socialist policies raise questions of the safety of private foreign investment in Ghana.
8. Indication of Ghana's intention to intervene in colonial areas to achieve the "liberation" of Africa. The acceptance and stockpiling of Soviet arms are in all likelihood to support insurgent movement in colonial territories or Gizenga in the Congo.
9. Indications of a continuing desire on the part of Ghana to absorb Togo.
10. Intervention in the internal affairs of other independent African states.

11. Nkrumah's closest and most influential advisers are a small clique of extremists who are intent on sabotaging relations between Ghana and the West.

12. Dismissal of British officers from command positions in the Ghanaian army, and sending of military cadets to Soviet Union for training.

13. Declining British influence and possibility Ghana may leave Commonwealth for political reasons.

14. Acceptance of increased Soviet Bloc economic and technical assistance and the signing of commercial agreement with Soviet Bloc countries.

[TAB VI]

Vote in United Nations General Assembly on Chinese representation requested by Senate Foreign Relations Committee on December 20, 1961.

At the end of the General Assembly's debate on Chinese representation the General Assembly had before it two draft resolutions: (1) the draft resolution submitted by the United States, Australia, Colombia, Italy, and Japan (Tab A) which asked the General Assembly to rule that any change in Chinese representation be an "important question"; and (2) the draft resolution submitted by the Soviet Union (Tab B) asking for the immediate expulsion of the Nationalist Republic of China and replacing it by the Communist People's Republic of China. The Assembly also had before it an amendment to the Soviet draft resolution submitted by Cambodia, Ceylon and Indonesia (Tab C) the effect of which would be to seat Communist China and to leave the fate of Nationalist China in abeyance.

The Assembly then proceeded to take five separate votes: (1) a procedural motion requested by Australia to accord priority on the voting to the draft resolution submitted by the United States, Australia, Colombia, Italy and Japan. This motion was adopted by 51 votes (U.S.) to 21, with 20 abstentions; (2) the Assembly then voted on whether or not to decide that any change in the representation of China is an important question. This motion was adopted by 61 votes (U.S.) to 34, with 7 abstentions; (3) the next vote was on the amendment to the Soviet draft resolution. At the request of Nigeria the words "in accordance with the above declaration" were voted on separately from the rest of the amendment. This part of the amendment was not adopted since it received 23 in favor, 41 against (U.S.) and 39 abstentions; (4) the Assembly next voted on the rest of the amendment to the Soviet draft resolution. This also was voted down, receiving a vote of 30 in favor, 45 against (U.S.), and 29 abstentions; (5) finally the Assembly voted on the Soviet draft resolution to seat Communist China. The draft resolution was rejected by a vote of 36 in favor, 48 against (U.S.), and 20 abstentions.

Attached (Tab D) is a record of the above five roll call votes.

[TAB A]

[From the United Nations General Assembly, 1 December 1961, Sixteenth session, Agenda items 90 and 91]

QUESTION OF THE REPRESENTATION OF CHINA IN THE UNITED NATIONS

RESTORATION OF THE LAWFUL RIGHTS OF THE PEOPLE'S REPUBLIC OF CHINA IN THE UNITED NATIONS

Australia, Colombia, Italy, Japan and United States of America: draft resolution

The General Assembly, Noting that a serious divergence of views exists among Members concerning the representation of a founder Member who is named in the Charter of the United Nations,

Recalling that this matter has been described repeatedly in the General Assembly by all segments of opinion as vital and crucial and that on numerous occasions its inscription on the agenda has been requested under rule 15 of the rules of procedure as an item of an important and urgent character,

Recalling further the recommendation contained in General Assembly resolution 396 (V) of 14 December 1950 that ", whenever more than one authority claims to be the government entitled to represent a Member State in the United Nations and this question becomes the subject of controversy in the United Nations, the question should be considered in the light of the purposes and principles of the Charter and the circumstances of each case," *Decides* in accordance with Article 18 of the Charter that any proposal to change the representation of China is an important question.

[TAB B]

[From the United Nations General Assembly, 27 October 1961, Sixteenth session, Agenda items 91 and 90]

RESTORATION OF THE LAWFUL RIGHTS OF THE PEOPLE'S REPUBLIC OF CHINA IN THE UNITED NATIONS

QUESTION OF THE REPRESENTATION OF CHINA IN THE UNITED NATIONS

Union of Soviet Socialist Republics: draft resolution

The General Assembly, Considering it necessary to restore the lawful rights of the People's Republic of China in the United Nations,

Bearing in mind that only representatives of the Government of the People's Republic of China are competent to occupy China's place in the United Nations and all its organs,

Resolves to remove immediately from all United Nations organs the representatives of the Chiang Kai-shek clique who are unlawfully occupying the place of China in the United Nations,

Invites the Government of the People's Republic of China to send its representatives to participate in the work of the United Nations and of all its organs.

[TAB C]

[From the United Nations General Assembly, 12 December 1961, Sixteenth session, Agenda items 91 and 90]

RESTORATION OF THE LAWFUL RIGHTS OF THE PEOPLE'S REPUBLIC OF CHINA IN THE UNITED NATIONS

QUESTION OF THE REPRESENTATION OF CHINA IN THE UNITED NATIONS

Cambodia, Ceylon and Indonesia amendment to the draft resolution submitted by the Union of Soviet Socialist Republics (A/L.360)

Delete operative paragraphs and substitute the following:

"*Decides* in accordance with the above declaration that the representatives of the Government of the People's Republic of China be seated in the United Nations and all its organs."

[TAB D]

The five role call votes on the question of Chinese representation at the United Nations (December 15, 1961).

1. The vote to give priority to the draft resolution submitted by the United States, Australia, Colombia, Italy and Japan was adopted by a vote of 61 votes to 21, with 20 abstentions.

In favor: Japan, Jordan, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mauritania, Mexico, Netherlands, New Zealand, Nicaragua, Niger, Norway, Panama, Paraguay, Peru, Philippines, Portugal, South Africa, Spain, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Upper Volta, Uruguay, Venezuela, Argentina, Australia, Belgium, Bolivia, Brazil, Cameroun, Canada, Central African Republic, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Federation of Malaya, France, Greece, Guatemala, Haiti, Honduras, Iceland, Iran, Ireland, Israel, Italy, Ivory Coast.

Against: Mali, Mongolia, Poland, Rumania, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Yugoslavia, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Cuba, Czechoslovakia, Guinea, Hungary, India, Indonesia, Iraq.

Abstaining: Morocco, Nepal, Nigeria, Pakistan, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Sweden, Syria, Tanganyika, Tunisia, Yemen, Afghanistan, Austria, Cyprus, Ethiopia, Finland, Ghana.

2. The vote to declare that any change in the representation of China is an important question was adopted by 61 votes to 34, with 7 abstentions.

In favor: Ivory Coast, Japan, Jordan, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mauritania, Mexico, Netherlands, New Zealand, Nicaragua, Niger, Panama, Paraguay, Peru, Philippines, Portugal, Saudi Arabia, Senegal, South Africa, Spain, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Upper Volta, Uruguay, Venezuela. Argentina, Australia, Belgium, Bolivia, Brazil, Cameroun, Canada, Central African Republic, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Dahomey, Dominican Republic, Ecuador, El Salvador, Federation of Malaya, France, Greece, Guatemala, Haiti, Honduras, Iceland, Iran, Ireland, Israel, Italy.

Against: Mali, Mongolia, Morocco, Nepal, Norway, Poland, Rumania, Sudan, Sweden, Syria, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Yemen, Yugoslavia, Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Cuba, Czechoslovakia, Denmark, Ethiopia, Finland, Ghana, Guinea, Hungary, India, Indonesia, Iraq.

Abstaining: Nigeria, Pakistan, Sierra Leone, Somalia, Tanganyika, Austria, Cyprus.

3. The vote on the words "in accordance with the above declaration" of the amendment to the Soviet draft resolution was defeated by a vote of 23 in favor, 41 against, and 39 abstentions.

In favor: Denmark, Ethiopia, Finland, Ghana, Guinea, India, Indonesia, Iraq, Mali, Morocco, Nepal, Norway, Pakistan, Sudan, Sweden, Syria, United Arab Republic, Yemen, Yugoslavia, Afghanistan, Burma, Cambodia, Ceylon.

Against: China, Colombia, Costa Rica, Dominican Republic, El Salvador, Federation of Malaya, France, Greece, Guatemala, Haiti, Honduras, Iran, Ireland, Italy, Japan, Jordan, Laos, Luxembourg, Madagascar, Mauritania, Mexico, New Zealand, Nicaragua, Panama, Paraguay, Peru, Philippines, South Africa, Spain, Thailand, Turkey, United States of America, Uruguay, Venezuela, Argentina, Australia, Belgium, Brazil, Cameroun, Canada, Chile.

Abstaining: Congo (Brazzaville), Congo (Leopoldville), Cuba, Cyprus, Czechoslovakia, Dahomey, Ecuador, Hungary, Iceland, Israel, Ivory Coast, Lebanon, Liberia, Libya, Mongolia, Netherlands, Niger, Nigeria, Poland, Portugal, Rumania, Saudi Arabia, Senegal, Sierra Leone, Somalia, Tanganyika, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, Upper Volta, Albania, Austria, Bolivia, Bulgaria, Byelorussian Soviet Socialist Republic, Central African Republic, Chad.

4. The amendment of the Soviet draft resolution the effect of which would have been to seat Communist China and leave the fate of Nationalist China in abeyance failed by a vote of 30 in favor, 45 against, and 29 abstentions.

In favor: Pakistan, Senegal, Sierra Leone, Somalia, Sudan, Sweden, Syria, Tanganyika, Tunisia, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, Yemen, Afghanistan, Burma, Cambodia, Ceylon, Denmark, Ethiopia, Finland, Ghana, Guinea, India, Indonesia, Iraq, Israel, Mali, Morocco, Nepal, Nigeria, Norway.

Against: Panama, Paraguay, Peru, Philippines, South Africa, Spain, Thailand, Turkey, United States of America, Uruguay, Venezuela, Argentina, Australia, Belgium, Bolivia, Brazil, Cameroon, Canada, Chile, China, Colombia, Congo (Leopoldville), Costa Rica, Dominican Republic, Ecuador, El Salvador, Federation of Malaya, France, Gabon, Greece, Guatemala, Haiti, Honduras, Iran, Ireland, Italy, Japan, Jordan, Laos, Luxembourg, Madagascar, Mauritania, Mexico, New Zealand, Nicaragua.

Abstaining: Poland, Portugal, Rumania, Saudi Arabia, Togo, Ukrainian Soviet Socialist Republic, Upper Volta, Yugoslavia, Albania, Austria, Bulgaria, Byelorussian Soviet Socialist Republic, Central African Republic, Chad, Congo (Brazzaville), Cuba Cyprus, Czechoslovakia, Dahomey, Hungary, Iceland, Ivory Coast, Lebanon, Liberia, Libya, Mongolia, Netherlands, Niger.

5. The Soviet draft resolution to seat Communist China and expel Nationalist China was defeated by a vote of 36 in favor, 48 against, and 20 abstentions.

In favor: Guinea, Hungary, India, Indonesia, Iraq, Mali, Mongolia, Morocco, Nepal, Pakistan, Poland, Rumania, Sierra Leone, Somalia, Sudan, Sweden, Syria, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, Yemen, Yugoslavia, Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Cuba, Czechoslovakia, Denmark, Ethiopia, Finland, Ghana.

Against: Haiti, Honduras, Iran, Ireland, Italy, Japan, Jordan, Laos, Liberia, Libya, Luxembourg, Madagascar, Mauritania, Mexico, New Zealand, Nicaragua, Panama, Paraguay, Peru, Philippines, Senegal, South Africa, Spain, Tanganyika, Thailand, Turkey, United States of America, Uruguay, Venezuela, Argentina, Australia, Belgium, Bolivia, Brazil, Cameroun, Canada, Chile, China, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Federation of Malaya, France, Gabon, Greece, Guatemala.

Abstaining: Iceland, Israel, Ivory Coast, Lebanon, Netherlands, Niger, Nigeria, Norway, Portugal, Saudi Arabia, Togo, Tunisia, Upper Volta, Austria, Central African Republic, Chad, Congo (Brazzaville), Congo (Leopoldville), Cyprus, Dahomey.

(Subsequently, Norway requested that its vote be recorded as "in favor" instead of "abstaining.")

[TAB VII]

Indian Press Comments on the Government of India's Actions in Goa, Daman, and Diu

Indian newspapers began to publish stories of unspecified repressive measures taken by the Portuguese in Goa as early as the end of August 1961, shortly after Prime Minister Nehru made the public statement that he "would not rule out" the use of force in Goa. The full spate of press comments, however, only began with the Government of India's military buildup around the Portuguese territories during the last week of November 1961. Bombay newspapers led the campaign and daily headlined reports of alleged Portuguese military buildup and internal atrocities in Goa. Stories of highly exaggerated events of this nature increased in intensity, until Indian armed forces occupied Goa, Daman, and Diu beginning on December 18, 1961.

Bombay's newspapers were very impatient of non-action. The *Free Press Journal* (Bombay) on December 10 called for action which would be "quick, sharp, and short." The *Times of India* (Bombay) on December 10 criticized Krishna Menon's "laborious justification" of troop movements. Bombay's papers denounced attempts to tie India's actions to the electoral campaign. New Delhi's press joined Bombay almost from the start in commenting that a police action might be necessary if Portuguese provocative actions continued.

Since most of the Indian press assumed that action would be forthcoming, it very quickly began to speculate on the reaction of the west and the United States. The *Hindustan Times* (New Delhi) as early as December 7 foresaw the possibility of the United States attempting to secure an early cease-fire but did not expect the United States to aid Portugal. No papers predicted that the United States would come to Portugal's aid militarily but some saw the possibilities of NATO ties being brought into play in the political sphere should India act against Goa.

India was extremely sensitive of foreign criticism and especially annoyed at great Britain's failure to understand India's position. Prior to the invasion, however, there was no display of annoyance against the United States. Portions of the press expected a general acquiescence on the part of the United States. The *Free Press Journal*, for example, was gratified on December 14 by a *New York Times* report that Americans did not defend Portugal's position in Asia. Only the Communist press took the United States to task for its suggestions that India follow a peaceful course.

The Indian press greeted the news of the GOI's military action jubilantly and assumed there would be a quick victory. The *Times of India* reported that the action was greeted with a great sigh of relief. Portugal had invited the use of force by its refusal to negotiate. The action, the paper said, redeemed Gandhi's pledge of 15 years ago that Goa could not be allowed to exist as a separate entity.

The major feature of the post-invasion press was its growing defensiveness concerning the reaction of the rest of the world. The *Times of India* claims that the GOI could submit the issue to the consideration of all U.N. members without fear. But on December 19 it admitted that there would "undoubtedly be sneering references to a non-aligned peaceful nation resorting to a military campaign." It predicted that a storm might be raised by Portugal's NATO allies; but the support of the

Soviet Union was assured in the Security Council and the General Assembly was sure to support India on the issue.

The non-Communist press continued to differentiate between the United States and the "colonial powers," with the "colonial powers" being the subject of Indian resentment. On December 18, the *Free Press Journal*, for example, ran a photograph of Britain's Prime Minister MacMillan with the caption, "With the Congo's blood on his hands he decries the use of force." However, up until the U.N. debate on Goa the Indian press felt differently about the United States role. The *Hindustan Times*, for example, noted that the United States has not sought to protect the Portuguese in their intransigence.

In Bengal the situation was little different. On December 16, two days before the invasion, the *Hindustan Standard* (Calcutta) blamed both the United States and Great Britain for their negative attitude but admitted that the United States had one saving grace, i.e., it recognized that Goa, Daman, and Diu were colonial possessions. The report concluded that if the United States were true to its professions, the only sensible advice it could offer Portugal was to withdraw from India.

India's attitude of complaisance toward the United States was terminated sharply with Ambassador Stevenson's speech in the Security Council, which the Indian press interpreted as indicating a major shift in U.S. foreign policy. After the Security Council debate, the press became sharply critical of the United States position and the distinction between the United States and the "colonial powers" disappeared entirely. The *Times of India* on December 21 saw India's action as an implementation of the U.N. Resolution against colonialism and viewed Western agitation as stemming from a realization that the Indian example would strengthen Afro-Asian desires to end all Western colonialism. The *Indian Express* (Madras) commented that the Western powers did nothing to solve the colonial problem but nevertheless were pleading for peaceful processes. The *Statesman* (Calcutta) was disappointed that the western members of the U.N. had not shown a greater awareness of the compulsions behind India's actions.

The press in general viewed the U.S. position as a turning point in our foreign policy. According to the *Hindustan Times* it was a "return to the tough line of the previous administration in dealings with non-aligned nations." The *Times of India's* lead editorial on December 21 labeled Stevenson's remarks a "particularly repulsive form of obscurantism" and a "sickening gruel of meaningless rhetoric." The *Hindustan Times* said on December 21 that the U.N. had lost all its reputation for opposing colonialism.

Southern Indian comment was the same in substance, though less vehement. The *Deccan Herald* (Bangalore) reported that the "mask was off the face of some powers who have been masquerading as self-appointed defenders of freedom and democracy." The Security Council debate was "a spectacle of hands dripping with the blood of Suez aggression and of the abetted Cuban invasion being raised in sanctimonious protest." *The Mail* (Madras) reported that "Western concern at the prospect of the quick liquidation of colonialism is understandable if untenable . . . the tentacles of NATO reached further than was expected . . ." Madras' C. Rajagopalachari, elder statesman and mentor of the opposition Swatantra Party, was the sole Indian leader to voice opposition to the Indian Government's resort to force to solve the Goan issue.

The suggestion that the United States action was due to its desire to maintain the NATO alliance was prevalent throughout India. The *Hindustan Standard* (Calcutta) commented that "Goa was a test for the West and it has miserably failed to pass it. The suspicion will now take root in the minds of Asians and Africans that Western denunciation of colonialism is only a convenient pretense." The vernacular press in general was especially vehement in defending India's actions and in condemning outside criticism.

APPENDIX D

COMMITTEE ON FOREIGN RELATIONS PUBLICATIONS FOR 1961: HEARINGS, COMMITTEE PRINTS, SENATE DOCUMENTS AND REPORTS

HEARINGS PRINTED IN 1961

Jan. 12, 1961	Nomination of Dean Rusk, Secretary of State-designate.
Jan. 18, 1961	Proposed Nomination of Adlai E. Stevenson as United States Representative to the United Nations.
Jan. 19, 1961	Nomination of Chester Bowles, Under Secretary of State-designate.
Jan. 24, 1961	Nominations of Murat W. Williams, George W. Ball, Roger W. Jones, and G. Mennan Williams.
Jan, 27, Feb. 3 and 17, Mar. 2 and 9, 1961	U.S. Foreign Policy, Pt. 2.
Jan. 31, 1961	Nominations of W. Averell Harriman, Frank M. Coffin, Philip M. Klutznick, and Abram Chayes.
Feb. 14, 15, Mar. 1 and 6, 1961	Organization for Economic Cooperation and Development.
Mar. 8, 1961	Columbia River Treaty.
Mar. 14, 1961	Nominations of Edward R. Murrow and Donald M. Wilson (U.S. Information Agency).
Mar. 21, 1961	Nominations of Robert Sargeant Shriver, Jr. to be Director of the Peace Corps.
Mar. 23 and 24, 1961	Ambassadorial nominations.
Apr. 10, 20 and 21, 1961	Nomination of Julius C. Holmes.
Apr. 25, 1961	International Convention for the Prevention of Pollution of the Seas by Oil—1961.
Mar. 29 and April 27, 1961	Mutual Educational and Cultural Exchange Act.
May 2, 1961	Caribbean organization.
May 9, 1961	Appointments to the Foreign Service.
May 31, June 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 19, 20 and 27, 1961.	International Development and Security.
June 22 and 23, 1961	The Peace Corps.
July 31, 1961	International Finance Corporation.
Aug. 14, 15 and 16, 1961	Disarmament Agency
Sept. 11, 1961	Migration and Refugee Assistance Act of 1961.

COMMITTEE PRINTS

December 1960 (86th Cong.)	Legislation on Foreign Relations with Explanatory Notes.
January 1961	Sixth NATO Parliamentarians' Conference.
February 1961	The United States in the United Nations: 1960—A Turning Point. Report by Senators Aiken and Morse. Supplementary Report by Senator Aiken. Supplementary Report by Senator Morse.
Feb. 9, 1961	Background documents relating to the Organization for Economic Cooperation and Development.
Feb. 10, 1961	Subcommittees.
Feb. 12, 1961	Study Mission to Africa, November-December 1960
Feb. 27, 1961	The Bogatá Conference, September 1960.
Mar. 4, 1961	Mexico-United States Interparliamentary Group.
Mar. 17, 1961	Canada-United States Interparliamentary Group.
Mar. 23, 1961	Latin America, November-December 1960.
July 25, 1961	Canada-United States Interparliamentary Group.
December 1961	Documents on Germany, 1944–61.

SENATE DOCUMENTS

S. Doc. 131, Aug. 31, 1960 (86th Cong.)	Legislative History.
S. Doc. 14, Feb. 22, 1961	Khrushchev's Speech of Jan. 6, 1961.
S. Doc. 16, Mar 9, 1961	Legislation on foreign relations with explanatory notes.
S. Doc. 24, Mar. 15, 1961	U.S. Foreign Policy: Compilation of Studies.
S. Doc. 27, Mar. 30, 1961	Canada-United States Interparliamentary Group. 4th meeting.
S. Doc. 42, Aug. 9, 1961	Canada-United States Interparliamentary Group. 5th meeting.
S. Doc. 66, July 27, 1961	Khrushchev and the Balance of World Power.

SENATE REPORTS

S. Rept. 2, Jan. 13, 1961	Interparliamentary Activities and Receptions of Foreign Officials.
S. Rept. 3, Jan. 13, 1961	Study of Foreign Policy.
S. Rept. 84, Mar. 22, 1961	Inter-American Children's Institute.
S. Rept. 127, Mar. 28, 1961	Reemployment of Foreign Service Officers or Employees.
S. Rept. 129, Mar. 29, 1961	Providing for Annuities for the Widows of Certain Foreign Service Officers.
S. Rept. 138, Mar. 30, 1961	Commanding Project HOPE.
S. Rept. 199, Apr. 27, 1961	Amendments to the Mutual Defense Assistance Control Act of 1951 (Battle Act).
S. Rept. 290, May 26, 1961	Economic Development in Underdeveloped Areas Through Use of Agricultural Surpluses.
S. Rept. 291, May 29, 1961	International Food and Raw Materials Reserve.
S. Rept. 292, May 29, 1961	Providing for the Establishment of a White Fleet.
S. Rept. 372, June 14, 1961	Mutual Educational and Cultural Exchange Act of 1961.
S. Rept. 440, June 21, 1961	Caribbean Organization.
S. Rept. 567, July 18, 1961	U.S Citizens Commission on NATO.
S. Rept. 612, July 24, 1961	Foreign Assistance Act of 1961.
S. Rept. 689, Aug. 9, 1961	Amendments to International Finance Corporation Act.
S. Rept. 706, Aug. 10, 1961	The Peace Corps.
S. Rept. 877, Sept. 5, 1961	Monument to Mexico.
S. Rept. 878, Sept. 5, 1961	U.S. Representation to the Organization for Economic Cooperation and Development.
S. Rept. 882, Sept. 6, 1961	United States Disarmament Agency for World Peace and Security.
S. Rept. 883, Sept. 6, 1961	International Exposition for Southern California.
S. Rept. 989, Sept. 12, 1961	Migration and Refugee Assistance Act of 1961.
S. Rept. 1088, Sept. 20, 1961	World Economic Progress Assembly and Exposition.

EXECUTIVE REPORTS

Ex. Rept. 1, Mar. 8, 1961	Organization for Economic Cooperation and Development.
Ex. Rept. 2, Mar. 15, 1961	Columbia River Treaty.
Ex. Rept. 3, Apr. 27, 1961	Second Agreement between the United States of America and the Federal Republic of Germany, signed at Bonn on Aug. 16, 1960.
Ex. Rept. 4, May 4, 1961	International Convention for the Prevention of Pollution of the Sea by Oil.
Ex. Rept. 5, May 5, 1961	Proposal to the International Loadline Convention.
Ex. Rept. 6, May 15, 1961	Treaty of Extradition with Brazil.
Ex. Rept. 9, Aug. 28, 1961	Commerical Treaties with Belgium and Vietnam.
Ex. Rept. 10, Sept. 12, 1961	International Telecommunication Convention.
Ex. Rept. 11, Sept. 15, 1961	Estate Tax Convention with Canada.
Ex. Rept. 12, Sept. 22, 1961	Geneva Radio Regulations with Appendixes and an Additional Protocol.

APPENDIX E

VOLUMES PUBLISHED TO DATE IN THE HISTORICAL SERIES

Legislative Origins of the Truman Doctrine.
Foreign Relief Act: 1947.
Foreign Relief Assistance Act of 1948.
The Vandenberg Resolution and the North Atlantic Treaty.
Military Assistance Program: 1949.
Extension of European Recovery Program: 1949.
Economic Assistance to China and Korea: 1949-50.
Reviews of the World Situation: 1949-50.

Executive Sessions of the Senate Foreign Relations Committee:

Volume I, Eightieth Congress, First and Second Sessions, 1947-48.
Volume II, Eighty-first Congress, First and Second Sessions, 1949-50.
Volume III, Parts 1 and 2, Eighty-second Congress, First Session, 1951.
Volume IV, Eighty-second Congress, Second Session, 1952.
Volume V, Eighty-third Congress, First Session, 1953.
Volume VI, Eighty-third Congress, Second Session, 1954.
Volume VII, Eighty-fourth Congress, First Session, 1955.
Volume VIII, Eighty-fourth Congress, Second Session, 1956.
Volume IX, Eighty-fifth Congress, First Session, 1957.
Volume X, Eighty-fifth Congress, Second Session 1958.
Volume XI, Eighty-sixth Congress, First Session, 1959.
Volume XII, Eighty-sixth Congress, Second Session 1960.
Volume XIII, Parts 1 and 2, Eighty-seventh Congress, First Session, 1961.

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